United Nations A/AC.253/16/Add.8

General Assembly

Distr.: General
10 February 2000

Original: English

Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives
Second session
3-14 April 2000
Item 2 of the provisional agenda*
Preparations for the special session of the General Assembly on the implementation of the outcome of the World Summit for Social Development and further initiatives

Review reports and proposals for further action and initiatives submitted by organs and specialized agencies of the United Nations system and other concerned organizations

Note by the Secretary-General

Addendum

Contribution from the United Nations Children's Fund**

1. The Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives, in paragraph 19 of the annex to decision 1,[1] requested the Secretary-General in conjunction with the United Nations Children's Fund (UNICEF), the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the World Bank, the Organisation for Economic Cooperation and Development/Development Assistance Committee and other relevant organizations, to report and make proposals on the various dimensions of the implementation of the 20/20 initiative in the light of declining official development assistance, in line with the Oslo and Hanoi consensus, for consideration by the Preparatory Committee at its second substantive session. The Preparatory Committee requested that the report also be made available to the Commission for Social Development at its thirty-eighth session.

* A/AC.253/12.
** The report is being issued herewith as received in the language of submission only.

00-28956 (E) 170200

2. The Secretary-General accordingly circulates herewith, for the information of the Preparatory Committee and the Commission, the report of UNICEF, which was prepared in consultation with UNDP, UNFPA, the World Health Organization, the United Nations Educational, Scientific and Cultural Organization and the World Bank.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 45* (A/54/45 and corrigendum), chap. VI, sect. B.

20/20 for 2015: a partnership for reaching the social development goals

Future directions in implementing the 20/20 initiative

Summary

Since its recommendation at the 1995 World Summit for Social Development, the precepts of 20/20 have become better known and the principle that it encapsulates – of joint and equal partnership between developing and developed countries in the drive to accelerate improvements in human well-being and capacity – has gained legitimacy. 20/20 has moved from an aspiration concerning social investments towards a practical partnership for reaching the goals for social development and for reducing poverty. The trend fostered by 20/20 is towards increases and improved spending on basic social services, and better monitoring of both inputs and outcomes. Among the tools and frameworks in place to meet the global goals for 2015, 20/20 has earned its place and usefulness. It deserves continued support.

The report suggests four future steps for consideration: (i) developing and developed countries should continue to use existing fora and arrangements to strengthen their 20/20 partnership for universal access to basic social services, through a combination of increased spending, better spending and enhanced integration and co-ordination; (ii) developing countries should continue to monitor 20/20, and implement it through existing mechanisms and ongoing fora; (iii) developed countries should continue to provide comprehensive reporting on ODA allocations to basic social services, and support 20/20 at all relevant fora and operational opportunities, and (iv) UN agencies, funds and programmes should continue to support 20/20 partnerships at global, national and sub-national levels, assist in building capacity and tools for regular assessments, and document and disseminate examples of good practices in the implementation of 20/20.

I. Introduction

This paper has been prepared to meet the requirement outlined in document A/AC.253/L.7/Rev.1, issued by the first Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development. The relevant paragraph (No. 19) reads as follows: '[The Preparatory Committee] *Requests* the Secretary-General in conjunction with UNICEF, UNDP, UNFPA, the World Bank, OECD/DAC and other relevant organisations, to report and make proposals on the various dimensions of the implementation of the 20/20 Initiative, in the light of declining official development assistance, in line with the Oslo and Hanoi consensus, for consideration by the Preparatory Committee at its second substantive session; the report should also be made available to the Commission for Social Development at its 38th session.'

20/20 is an initiative to help achieve the goals for social development agreed at the world summits and global conferences that took place during the 1990s. At its simplest, 20/20 signals a reciprocal commitment by developing and developed countries to increase their investment in basic social services from current levels to the indicative level of 20 per cent of the national budget and 20 per cent of ODA. The formula 20/20 is aspirational, not fixed, and is intended to underline a new partnership and express the principle of shared responsibility. More fundamentally, 20/20 is a partnership that seeks to achieve universal access to quality basic social services.

The full range of the global goals encompasses a comprehensive set of poverty characteristics, expressed in levels of infant and child mortality, maternal mortality, illiteracy, malnutrition, access to basic education, access to reproductive health care, and to water supplies and sanitation. The goals' attainment would directly contribute to a world that is free of poverty. It would also equip the poor to increase their incomes, to participate more meaningfully in economic and social life, and to empower them to enjoy their fundamental social and economic rights.

The underlying rationale for 20/20 is the need to devote sufficient resources to the attainment of the goals, from both domestic and external sources. The 20/20 idea encapsulates both a commitment to social progress, and an agreement by developing and developed nations to reallocate resources to this end. Efforts to promote basic social services and to reallocate resources within and between sectors will have to be redoubled if real progress is to be made towards the 2015 goals. Resource generation will also need to be accompanied by reforms to make spending more equitable and more efficient.

This report reviews experience to date with 20/20 – both in terms of positive achievements and in terms of constraints encountered. It goes on to recommend how these experiences can be built upon to achieve universal coverage of basic social services in an integrated and co-ordinated fashion within the range of ongoing activities for human development and poverty reduction.

II. The global context

The need to address directly the social dimensions of poverty has been the subject of intense

discussion since the 1950s. There has never been any question that the reduction of poverty was the key purpose of development, but the accord on ends was not always translated in an agreement on the means: should investments be directed towards the promotion of economic growth or should poverty reduction be achieved through investments in social areas to underpin human rights and social justice. The parameters of this debate have been frequently revisited ever since their lines were first drawn during the preparations for the Second UN Development Decade.

During the 1980s, economic and social progress in many poorer countries suffered a series of shocks: declining per capita income, an accumulating burden of debt, and disappointing results from programmes of structural adjustment, to which in some countries were added conflict and the onset of the HIV/AIDS epidemic. The numbers of absolute poor and of refugee and displaced populations rose remorselessly. As a result of systemic analyses of development and co-operation processes warranted by this 'lost development decade', conviction has since taken hold within all parts of the international community that there has to be concerted public action on behalf of both poor people and poor nations. The depth of this conviction is illustrated by its repeated expression in the Declarations and Programmes of Action emanating from the summits and conferences of the 1990s, including the World Summit for Social Development.

During the 1990s, the debate about development turned an important corner, by recognising that social investments are as vital as economic investments. UN agencies, funds and programmes have repeatedly argued that efforts to improve human well-being and capacity were integral to poverty reduction. Improving access to basic health and basic education and empowering communities to contribute to their management should not wait until the day when economic growth had produced the wherewithal to pay for service delivery. Today, approaches that in the past were often dismissed as welfarist or ideologically driven, are accepted in the mainstream of development thinking.

This is the context in which the rationale of 20/20 needs to be perceived. The objective of universal access to basic education and basic health, including basic nutrition, safe drinking water, sanitation, and reproductive health and family planning – which lies at the heart of 20/20 – is also central to human development and poverty reduction. Today, as was not the case in 1994 when the initiative was first articulated, this reality is far more widely acknowledged.

The characteristic for which 20/20 was initially best known is its indicative spending target. This characteristic, too, has a long history. At the outset of the development era, a special resource allocation mechanism – Official Development Assistance (ODA) – was created for the transfer of resources from high-income to low-income-countries. In the run-up to the Second Development Decade of the 1970s, an ODA target of 0.7 per cent of developed countries' gross national product was set. Although it was formally accepted by the General Assembly, few developed countries have consistently reached the target. During the 1990s, ODA flows have sharply declined, reaching an all-time low of 0.22 per cent of DAC members' combined GNP in 1997 – before showing signs of recovery in 1998. Cuts in aid budgets partly reflect disillusion with the results of past development co-operation. The transfer of funds, even when accompanied by up-to-date technology and expertise, has not *per se* proved instrumental for promoting human

development or reducing poverty. The absorptive setting is important; it can be improved through public sector reforms, institutional and human capacity building, administrative decentralisation, and participation by civil society. Thus, questions relating to ODA today relate as much to its use in programmes that will bring about equitable, efficient and sustainable development, as to the volume of aid flows.

20/20, in raising questions about allocations of budgetary and ODA resources, played an important part in moving international thinking towards a more strategic assessment of how resources can be used effectively to promote human development. 20/20 captures the idea of partnership, in which there is a shared commitment to social progress and poverty reduction by a joint process of fiscal reorganisation, aid reallocation, efficiency savings, equity gains, and engagement with the wider society.

The central components of 20/20 can therefore be seen to have derived from the evolution of ideas concerning development and aid since the 1950s. The legitimacy of these new ideas has gained rapid ground since 1995. A number of international initiatives, including the Heavily Indebted Poor Countries (HIPC) initiative and the related poverty reduction strategy papers, as well as the DAC International Development Strategy, are grounded in the acceptance that social investments and reforms alongside economic ones, are critical to equitable, efficient and sustainable – and poverty-reducing – development. Not only at the instigation of 20/20, but from concerned non-governmental organisations and other civil society institutions in developing and developed countries, has come an expression of determination to monitor development expenditures, with a view to their effective use in anti-poverty activities.

However, in the course of actual implementation, 20/20 has thrown up many challenges. The ultimate utility of the 20/20 concept depends on how effectively those challenges can be addressed and surmounted.

III. The challenges

Since the initiative was first launched in 1994, the term 20/20 has gained widespread currency. Although the simplicity of its name has given 20/20 recognition value, it has also led occasionally to over-simplified interpretation. Perhaps inevitably, the resource allocation and spending dimension was given more attention than the dimension of partnership and the need for reforms for achieving universal access to basic social services of good quality. Sometimes, the twin 20 per cent targets have been interpreted too formalistically or assumed that 20/20 was less a joint commitment to social investment than some new imposition of conditionality. Concern was also expressed that 20/20 over-emphasised inputs to basic social services and under-emphasised social outcomes – measurable gains in human well-being and capacity.

Increased advocacy and explanation of the concept have gradually helped to dispel such misinterpretations. Two international 20/20 meetings with participation from interested governments, multilateral and non-governmental organisations have been held since Copenhagen – in Oslo in April 1996 and in Hanoi in October 1998. These have facilitated consensus on the

parameters of 20/20 at country and international level and made recommendations for further 20/20 action. However, not everyone is yet fully aware of the virtues of the 20/20 partnership framework and the need to build 20/20 precepts into the many policy reviews and development co-operation fora, including Consultative Groups, Round Tables, public expenditure reviews and the poverty reduction strategy paper. In many of these fora and documents, the case can be put more forcefully that increased access to basic social services is essential to laying the solid foundation for human development and poverty reduction.

The early focus of attention tended to emphasise the need for additional resources. However, it quickly became apparent that achieving universal coverage would not be practicable within most countries unless – besides increased funding – appropriate reforms were identified so as to enhance the equity and efficiency of public and ODA spending on basic social services.

In many countries where data gathering and analysis systems are poorly resourced, the information base is inadequate to monitor inputs and social outcomes. Its design does not reflect the concern about the quality of services. It has become clear that systems to monitor budgetary outlays and social service delivery need to be fine-tuned so that investments in basic social services (from internal and external sources) could be captured, and the outcomes of such investments adequately tracked.

IV. Addressing the challenges

Having identified these constraints and opportunities, they were addressed within the following framework: (a) a policy dialogue on 20/20; (b) the development of technical tools to implement 20/20; and (c) building human capacity, skills and knowledge at different levels of society from community level upwards for implementing 20/20. The documents mentioned in the annex on suggested reading regarding 20/20 contains more information and analytical details on 20/20 work since 1995.

a) 20/20 policy dialogue

20/20 advocacy has stressed the social, ethical, economic and human rights arguments in favour of public funding of basic social services. UN agencies, funds and programmes have tried to incorporate 20/20 precepts into ongoing deliberations at the international level. The effort has paid off in terms of improved understanding of the full dimensions of 20/20 and the creation of a climate favourable to higher investments in basic social services. Universal access will not be attained if the services are not provide free or well below cost.

The principal locus of 20/20 policy dialogue has progressively moved to the country level. This has yielded impressive results in a number of countries. In many instances, dialogues have been precipitated by 20/20 country studies (see below). The studies provided an opportunity to clarify many features of the initiative, which were not fully articulated at the outset – in some cases deliberately since their resolution has to take country-specific variables into account. The delineation of basic social services and their sectoral homes vary from country to country, and a

wide range of interpretation has been revealed as to what constitutes basic services as opposed to all social services. It has proven difficult to extract information about investments in basic social services from existing budgetary and accounting procedures.

The dialogue has also helped to illuminate the appropriate level of allocations to basic social services in a given setting, taking into account the existing coverage and quality of services. Countries with very weak systems for delivery of basic social services and low budgets usually have to spend more, proportionately, than others with better infrastructures. Thus, the desirable format for '20/20' may turn out to be different levels of expenditures, depending on country-specific conditions. 20/20 is not an approach exclusively appropriate for the poorest countries; it is equally applicable in middle-income countries where pockets of people remain unreached, or where quality and equity issues in service delivery offers scope for improvements. Action to provide access to basic social services in remote or difficult terrain, or where there is instability, violence or insecurity, may be proportionately quite costly.

Opportunities for a policy dialogue on 20/20 and its implications are multiplying. Increasingly, support for basic social services is gradually moving away from stand-alone projects that are capital and foreign exchange intensive, heavily dependent on products and expertise from developed countries, and rarely interconnect with local technical and managerial capacity or local customers and users. The trend now is in favour of multi-partner approaches to a whole sector such as health or education – known as Sector-Wide Approaches. The poverty reduction strategy paper, recently adopted under the enhanced HIPC initiative represents another framework for joint action consistent with 20/20 precepts.

Outcomes: A number of countries have raised their inputs to basic social services and implemented budget reforms; others have developed new budget processes that attach greater priority to basic social services. In most 20/20 study countries, social sector ministries used their results in budget discussions with Ministries of Finance to argue for increased allocations. In some countries, such as Cameroon and Colombia, parliamentarians were briefed on budget allocations to basic social services before voting on the national budget and National Development Plan respectively. In at least five countries – Chad, Côte d'Ivoire, Malawi, Niger and Viet Nam – allocations to these services have specifically been raised in Consultative Groups and Round Tables as a result of the internalisation of 20/20 ideas. Nepal has continued to monitor the budget allocations to basic social services since the first 20/20 study was carried out in 1994. Representatives from 17 sub-Saharan African countries agreed on principles of cost-sharing in education and health – known as the Addis Ababa Consensus. Country studies have been used to extol to the media and civil society the importance of investments in basic social services. At the international level, the enhanced HIPC initiative provides an opportunity – and a commitment by the international community – to support a re-allocation of domestic resources towards basic social services and other poverty reduction measures.

b) 20/20 technical tools

A key conclusion of the Oslo meeting on 20/20 was that the dearth of information on budgetary and ODA allocations to basic social services was inhibiting a meaningful policy debate.

Weakness of analysis of development policies and programmes are typically a major obstacle to sound investments and positive outcomes. It was therefore agreed that efforts should be made to establish social and economic data collection systems that would both track social investment inputs from all sources and monitor basic social services in terms of outcomes. This was the inspiration for the 20/20 country studies already mentioned, which were funded by Norway and technically assisted by UNICEF, UNDP and UNFPA. The studies have been undertaken in more than 30 countries. While they proved a vehicle for policy dialogue and advocacy, their primary purpose was to gain the most detailed possible picture of existing patterns of basic social services investment. With funding from the Netherlands, UNICEF, UNDP and OECD have reviewed donor reporting systems in order to recommend to the DAC group a methodology for comparable assessment of support for basic social services.

The country studies examined the following three issues: (i) What shares of the national budget and ODA are being spend on basic social services? (ii) Who benefits from health and education investments? and (iii) How efficient are these investments? In the course of their work, the studies were also able to identify methodological and technical gaps in data collection and analysis processes.

The studies suggested that relatively few countries have made clear policy and programmatic distinctions between social services and *basic* social services. There is still a tendency to regard basic social services as lower-cost – and therefore inferior – alternatives to conventional services, rather than as a system-wide approach to providing everyone with access to basic education and basic health care, including other basic services, and – via in-built referral mechanisms – to more elevated service provision levels.

Few countries are in a position to extract expenditures on basic services from the total health, education, or other social spending. Expenditures on, for example, high-tech hospitals, universities and urban piped-water supply, are not distinguishable from those on district hospitals, rural health posts, primary schools and village handpumps. Public expenditure reviews are seldom able to portray investments in basic social services. The picture is further complicated by the fact that the current trend towards decentralisation of services has not usually been designed to allow for tracking of expenditure on basic social services. Extensive re-design of budget mechanisms in all the areas of basic social services is required.

The evidence from the 20/20 studies suggests that governments allocate between 12-14 per cent of the national budget to basic social services. DAC Development Co-operation Reports have started to include the share of basic health and basic education in total ODA. These figures show that basic education and basic health absorb less than 5 per cent of ODA, and that their share does not seem to have increased in recent years. But 20/20 country studies suggest that aggregate data reported to the DAC Secretariat do not capture all donor support for basic social services. 20/20 studies suggest that developed countries provide, on average, between 10–15 per cent of ODA in support of these services. The volatility in the ODA share is much greater than that in the national budgets.

The studies also showed that social services expenditures frequently by-pass the poor, and serve

those whose needs are relatively better met. The distribution of spending on basic social services, however, was found to be less regressive.

The studies also found that the lion's share of spending on basic social services comes in the form of salaries and wages – often leaving meagre resources for essential non-salary inputs such as textbooks, medical supplies and spare parts for handpumps. The inadequacy of these non-wage inputs can work against the positive impact of public spending on key social indicators. Small amounts can go a long way, so that the impact of any amount of additional resources on quality of basic social services can be substantial.

Outcomes: Although the 20/20 country studies contain inconsistencies and the data are uneven, they have nonetheless produced a useful first synthesis of patterns of investment in basic social services. The visibility of social goals, the availability of external support in their favour, and the 20/20 focus on universal access to basic social services are having a positive effect. However, the shortfall in global investment for achieving universal access remains large. It is estimated at approximately one-third of current spending – or approximately $80 billion per year in 1995 prices. This means that universal access to basic social services is not foreseeable at present. For a great number of countries, the studies have shown that servicing foreign debt crowds out allocations to basic social services. DAC member countries have agreed on a methodology, which will allow a more comprehensive and comparable assessment of assistance in support of basic social services. At the global level, the DAC Secretariat will present such an assessment to the review of the Social Summit in 2000.

c) 20/20 capacity building

While the need for a greater absorptive capacity in the social sectors has been acknowledged – notably in the Oslo and Hanoi Consensus – this has been the least developed under the 20/20 imprimatur. Many 20/20 country studies identified major inefficiencies in all social sectors and considerable scope for making efficiency gains. The goal of universal access to basic social services cannot be reached without, firstly, strong political commitment – that is expressed in additional resources – and secondly, an expansion of capacity at all levels to plan, build, and manage services, complementing and going beyond the technical tools for gathering information described above. Improvements in the efficiency and equity of public spending on basic social services would be greatly facilitated if overall allocation levels were increased. 20/20 has played an important role in helping generate a greater level of political commitment to access to basic social services and shaping the technical tools for monitoring progress towards this outcome. These are essential first steps towards implementation. But they are not sufficient.

Policy commitment to achieving universal access to basic social services needs awareness raising among all sections of government and civil society. Not only structures and mechanisms, but also mind-sets have to be changed. System-wide design of services, building on community structures and management capacity, and drawing upon non-governmental and private sector partners are required to reach universal coverage. The challenge is to build that capacity in all relevant areas of society and administration.

Outcomes: The Hanoi meeting moved the 20/20 debate a considerable distance forward in reaching a consensus that developing countries should take the lead and initiate steps to expand coverage and improve the quality of basic social services. Agreement was also reached that debt relief should directly support basic social services – a point that is now part of the enhanced HIPC initiative. Consensus also exists that active collaboration should be sought with civil society and the private sector, to ensure that resources are well spent. Budgets are already being redesigned in some 20/20 study countries to promote effective service delivery. For example, in Burkina Faso, Côte d'Ivoire, Mali, Niger and Senegal budget allocations and capacity are being decentralised to centres of service delivery. In Dominican Republic, municipalities have been seeking advice on how to allocate resources to basic social services and improve budget execution. In Ecuador, 20/20 has prompted the design of mechanisms to protect expenditures on basic social services during the structural adjustment process, while ensuring consistency between social and macroeconomic policies. During the execution of the country studies, regional networks made up of government officials and experts concerned about investment in basic social services were strengthened or established.

Within the next few years, it is to be confidently anticipated that examples of this kind of 20/20 capacity building follow-up will multiply.

V. Ways forward

From an initiative launched by the UN agencies, funds and programmes, 20/20 has already entered an era when its implementation resides at the national and sub-national levels. The international community will have to continue to play a crucial role in mobilising resources, providing technical assistance and support where requested. Donor agencies will also have to explore further how to report their financial support for basic social services more systematically. This is the new framework for 20/20 in the immediate future.

a) 20/20: country level activity

The task: The advancement of 20/20 at the national and sub-national country level requires a three-pronged approach: (i) continued policy dialogue: advocacy to promote the 20/20 concept with decision-makers, parliamentarians, media, non-governmental organisations and civil society generally; (ii) improving the information base: technical support to improve the design and management of data management systems to report on the expansion of basic social services, including the establishment of key indicators for assessing coverage and quality, and monitoring progress towards the attainment of the internationally agreed social development goals; and (iii) *capacity building: development of professional and technical expertise to plan and carry out the* expansion and sustenance of basic social services of good quality.

The Strategy: Each country will need to develop its own strategy for the implementation of the 20/20 process, based on country-specific circumstances. This strategy can be developed within a number of frameworks already available for the articulation of policies and programmes directed at poverty reduction and human development. These include sector-wide approaches and the poverty reduction strategy paper. The common themes of these frameworks are: shared

responsibility between governments in developing and developed countries, multilateral organisations and non-governmental organisations to jointly agreed and co-ordinated inputs for social development. Within these frameworks, advocacy of the 20/20 perspective will emphasise the many requirements needed for expansion of the coverage and quality basic social services, as a pre-condition for fulfilling the agreed goals for child and maternal mortality, reproductive health, nutrition, education, literacy, water supplies, environmental sanitation, set for 2015.

The following components will need to be considered: (i) social assessment and analysis, within a rights perspective, fully integrated with economic and financial planning; (ii) restructuring the national budget and ODA with a view to narrowing the existing financing gap for achieving universal access to basic social services of good quality; (iii) reforms of the delivery system of basic social services, with decentralisation of decision-making to lowest practicable level, and an emphasis on demand management and participation of civil society; (iv) investment in capacity building at all levels and in all relevant sectors for access and quality improvement in basic social services; (v) social mobilisation through information, education and communications campaigns to enhance civil society's participation.

b) 20/20: international activity

The task: At the international level, the task is twofold. First, to promote and facilitate 20/20-related activity at the country level, supporting it wherever possible with resources, expertise, technical advice, information, and networking. There is also a continuing need to synthesise and publish work undertaken by countries to support 20/20, so as to promote good practices in other countries and build up a body of information and expertise to be drawn upon. The UN partners will continue to facilitate international 20/20 networks, creating shared information bases and a 20/20 website, publishing and disseminating 'good practice' examples, and other activities designed to support country-level activity.

The second task is for the developed countries must strengthen their commitment to increase ODA levels and rise the share directed in support of basic social services to fulfil the DAC Shaping the 21st Century agenda. The donor community should improve reporting on ODA support for basic social services. Consideration should be given to the further development of mechanisms to monitor aggregate donor progress towards the indicative 20 per cent for support to basic social services. Higher aid priority to basic social services and tangible results in terms of access and quality could strengthen the political support for development assistance and thus help reverse the downward ODA trend experienced during most of the 1990s.

The strategy: The emphasis should be on refining and using existing frameworks for collaborative efforts for achieving universal coverage of basic social services. To support country-level activity, a flexible formula will be advisable. When all parties agree to invest more and invest better in basic social services, one or two members of the donor community in that country could play the role of '20/20 principal advocate' with donor colleagues so that basic social services will gradually receive a higher share of ODA to match the government's efforts to achieve universal coverage in the shortest possible time. However, 20/20 should be owned and principally led by the government, in consultation with civil society and with its participation. At

the international level, 20/20 should be carried forward by the existing partnership of organisations – UNICEF, UNDP, UNFPA, the World Bank, UNESCO and WHO.

VI. 20/20: an ethical and economic imperative

Within five short years, 20/20 has been transformed from an aspirational ideal towards a practical partnership for universal access to basic social services of good quality. 20/20 has played a role in changing the thinking that social investments are a vital contribution to human development and poverty reduction. Its precepts of joint partnership and shared responsibility complement and dovetail with sector wide approaches and the enhanced HIPC initiative. 20/20 also represents a partnership framework for the fulfilment of the rights of children, women, and of all vulnerable and marginalised people who have yet to secure for themselves the means of a healthy and productive existence.

Since the Hanoi Consensus of 1998, a map has been laid down for the way forward for 20/20. Leadership for the initiative is at the national and sub-national levels, where examples of budgetary change, institutional reform, capacity building, and monitoring are multiplying. The role of the international 20/20 effort will be to continue lending support in all areas – resources mobilisation, technical support and networking – to promote 20/20 implementation on the ground. Implementation will be most successful and sustainable if it is done through mainstreaming 20/20 in existing mechanisms and fora, rather than by creating separate processes and new reporting systems.

Evidence suggests that progress in social development is not keeping pace with promises, for a variety of reasons, including under-investment in basic social services. Millions of children – primarily from poor families – are denied their social and economic rights; even though the resources, knowledge and techniques are available to give all children a good start in life. The financing gap to guarantee universal coverage of a minimum package of basic social services in developing countries represents less than one-third of 1 per cent of global annual income. Seldom has the international community had an investment opportunity that is so noble in its objective and so productive in its outcome. It is far less expensive to break the hold of destitution in terms of basic social services than bearing the moral and economic costs of permitting poverty to persist and increase.

There is still time to use all the tools and frameworks at the disposal of governments and their partners to accelerate progress towards the fulfilment of the 2015 goals. Among these tools and frameworks, 20/20 has earned its place and usefulness. It deserves continued support.

VII. Draft recommendation

The Second Preparatory Committee may wish to consider the following suggested steps for future action:

- Developing and developed countries should continue to strengthen their 20/20 partnership for

universal access to basic social services, through a combination of increased and better spending on these services and on enhanced integration and co-ordination of efforts. The membership and mechanisms of 20/20 partnership should be kept flexible, depending on country-specific circumstances. Existing fora, initiatives and reporting arrangements should be used to the maximum extent possible.

- Developing countries should continue to monitor 20/20, and discuss its implementation at relevant fora such as Consultative Group and Round Table meetings, public expenditure reviews, national human development reports, and the poverty reduction strategy paper, with a view to increasing budget and aid allocations and agreeing on specific sectoral reforms.
- Developed countries should increase ODA allocations to basic social services and provide comprehensive reporting on ODA allocations to basic social services. They should also support 20/20 at all relevant fora and operational opportunities.
- UN agencies, funds and programmes should continue to support 20/20 partnerships and policy dialogue at global, national and sub-national levels. They should continue their assistance with capacity building and the development of technical tools to foster regular 20/20 assessments at the national and sub-national levels. They should also document progress and disseminate examples of good practice in the implementation of 20/20.

Annex: Suggested Reading on 20/20

Implementing the 20/20 Initiative, UNDP, UNESCO, UNFPA, UNICEF, WHO, and the World Bank. UNICEF, New York, 1998 (available in English, French and Spanish).

Background documents prepared for the Hanoi Meeting (available in English, French and Spanish):

- 'Universal access to basic social services: a key ingredient for human development.' UNICEF and the World Bank, New York, 1998.

- 'Country experiences in assessing the adequacy, equity and efficiency of public spending on basic social services.' UNICEF and UNDP, with contributions from UNFPA and the World Bank, New York, 1998.

- 'Better reporting on donor support to basic social services: opportunities and constraints.' Development Initiatives, OECD/DCD and UNICEF, New York, 1998.

- 'Working together to promote the 20/20 Initiative: the role of CGs, RTs, PERs, SALs, and NHDRs.' UNDP and the World Bank, New York, 1998.

- 'Report of the Hanoi Meeting.' UNICEF, New York, 1999.

'Hanoi Conference on the 20/20 Initiative.' by K. Richelle, in *Social Development Review*, Vol. 2, No. 4, December 1998.

Development Co-operation 1998 Report, 'Chapter 4: Trends and issues in the supply of aid.' OECD/DAC, Paris, 1999.

Gasto Público en Servicios Sociales Básicos en Latinoamerica y el Caribe, joint publication by ECLAC, UNDP and UNICEF edited by E. Ganuza, A. León, and P. Sauma, Impresiones Universitaria S.A., Santiago de Chile, 1999 (available in Spanish).

United Nations A/AC.253/16/Add.9

General Assembly

Distr.: General
10 February 2000

Original: English

Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives
Second session
3-14 April 2000
Item 2 of the provisional agenda*
Preparations for the special session of the General Assembly on the implementation of the outcome of the World Summit for Social Development and further initiatives

Review reports and proposals for further action and initiatives submitted by organs and specialized agencies of the United Nations system and other concerned organizations

Note by the Secretary-General

Addendum

Contribution from the Joint United Nations Programme on Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome**

1. The Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives, in paragraph 21 of the annex to decision 1,[1] invited the Joint United Nations Programme on Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (UNAIDS), in conjunction with its seven sponsors, the United Nations Children's Fund (UNICEF), the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations International Drug Control Programme (UNDCP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Health Organization (WHO) and the World Bank, to prepare and propose means for

* A/AC.253/12.
** The report is being issued herewith as received in the language of submission only.

00-28974 (E) 220200

immunodeficiency syndrome infection rate in young people between the ages of 15 and 24, with the goal of ensuring that by 2010 prevalence in that age a group is reduced globally by 25 per cent and in the 25 African countries most affected by the pandemic, by 25 per cent by 2005.

2. The Secretary-General accordingly circulates herewith, for the information of the Preparatory Committee, the report prepared by UNAIDS in response to that request, following consultations with WHO, UNFPA, UNICEF, UNDP, UNDCP, UNESCO and the World Bank.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 45* (A/54/45 and corrigendum), chap. VI, sect. B.

Report of the Joint United Nations Programme on Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome

CONTENTS

I. INTRODUCTION

II. BACKGROUND

A. World Summit for Social Development + 5
B. UNAIDS PCB Background Discussion Paper
C. ICPD + 5 Goals and Programme of Action

III. AREAS FOR STRATEGIC ACTION

A. Measurement
B. National policies to promote young people's rights and reduce their vulnerability to HIV/AIDS
C. Care and support of young people living with or affected by HIV/AIDS
D. Education
E. Youth-friendly health services
F. Mobilisation of young people, families and communities

IV. ROLE OF UNAIDS COSPONSORS, THE SECRETARIAT, GOVERNMENTS, NGOs & CIVIL SOCIETY

V. CONCLUSIONS

VI. RECOMMENDATIONS

ANNEX 1: HIV prevalence among young people in the 25 most affected countries in Africa.

ANNEX 2: Recent international and regional forums addressing HIV/AIDS in Africa.

I. Introduction

1. In the five years since the World Summit for Social Development Conference took place, the HIV/AIDS epidemic has continued to grow with an estimated 16,000 people worldwide becoming newly infected each day. 33.6 million people in the world are currently living with HIV/AIDS, one-third of whom are young people between the ages of 10 and 24. The impact of AIDS has been most severe in Sub-Saharan Africa. 13.7 million Africans have died as a result of infection, and another 23.3 million are currently living with HIV/AIDS. It is estimated that in 1999 alone, 3.8 million adults and children were newly infected with HIV. At the national level, the 21 countries with the highest HIV prevalence are in Africa.

2. Young people are in the front line of the HIV pandemic; they are vulnerable and disproportionately affected. Young people between the ages of 10-24 account for over 50% of all HIV infections occurring after infancy worldwide. In 1998, nearly 3 million young people were infected, equivalent to more than five young men and women every minute of the day, every day of the year. Approximately 7 million young people (15-24) in sub-Saharan Africa were estimated to be living with HIV infection or AIDS at the end of 1998. The vulnerability of young people is a result of many factors, including poverty, unemployment, under/decreased education, discrimination, and the impact of social change on family and communities placing young people in especially difficult circumstances that increase their vulnerability to HIV infection. War and civil disturbance have also proven to be factors in the epidemic's impact on young people, resulting in the large-scale movement of displaced citizens. In conditions ranging from large rural encampments with very limited infrastructure, to intensely crowded urban shantytowns, displaced young people and young refugees may be particularly vulnerable to non-consensual sex, and even with their consent, knowledge about safer sex and the availability of condoms is often limited.

3. The vulnerability of young people is substantially a result of our failure to enable our children to acquire the knowledge, attitudes, values, skills and support they need to prevent their own infection and that of others. As policy-makers, leaders, parents, teachers and responsible adults, we have failed to adequately help young people acquire knowledge of health risks; communication, negotiation and other relevant life skills; and sufficient confidence and self esteem to adopt and adhere to preventive behaviour. We have failed to provide supportive social and political environments in which young people can openly address the problems they face; and we have refused to face the reality that many young people need access to condoms and services that promote health and provide protection, much earlier than we think they need them.

4. In Africa, girls are becoming infected younger and dying earlier than boys are for a variety of reasons. In countries such as Ethiopia, Malawi, Tanzania, Zambia and Zimbabwe, for every 15- to 19-year-old boy who is infected, there are five to six girls infected in the same age group. The special vulnerability of young girls that is reflected in these HIV trends is partly a result of women's lack of equal access to legal, social and economic resources compared to male counterparts making them more vulnerable to sexual exploitation. Young females (and males) can become infected as a result of sexual abuse by relatives (incest), family, friends, teachers and strangers.

5. In major urban areas of east and southern Africa, epidemiological studies have shown that 17% to 22% of girls aged 15 to 19 years -old are already HIV infected compared to 3% to 7% of boys of similar age, indicating a sexual mixing pattern whereby older men are having sex with young girls. In many countries where economic conditions make it more difficult for girls to afford schools fee, they may seek favours of a "sugar daddy" (an older man who offers compensation in cash or kind in exchange for sexual favours), engage in transactional sex (that is, exchange sex for money or goods on an occasional basis) or enter sex work (willingly or forced) to pay for school or to support their families.

6. Where cultural and social norms place a high value on virginity among girls, young women may be inhibited from seeking sexual and reproductive health information and services. In order to protect their virginity, which is critical for marriage in some cultures, some young women may adopt unsafe sexual practices such as unprotected anal sex placing them at increased risk for acquiring HIV or other STI.

Young girls may also be vulnerable to HIV as a result of their desirability to adults who believe them to be virgins, and free from infection.

7. The increasing availability and use of psychoactive substances by young people in African countries, especially alcohol, is reason for concern. These substances impair judgement, diminish inhibitions and increases the likelihood of unprotected sex and the subsequent risk of being infected with HIV..

8. However, there is room for hope. In Uganda, where a rapid rise in HIV prevalence was originally seen, real progress has been made in confronting the epidemic. The key to stemming the rise of HIV/AIDS in Uganda focussed on the behaviour of young people. Most of the decline in HIV prevalence has been recorded among young women aged 15 to 19 years coming to urban antenatal clinics, a fact that is unlikely to be explained by any other reason than behaviour change in this group.

9. Young people are increasingly appreciated as a key resource for changing the course of the HIV epidemic. Studies have shown that they can be both responsive to HIV prevention programmes and effective promoters of HIV prevention action. Interventions including voluntary counselling and testing (VCT), condom social marketing, education, and diagnosis and treatment of sexually transmitted infections (STI) have been shown to change behaviours and to reduce the risk of HIV among young people. If young people have access to information, skills, services and commodities, they can be enabled to adopt safe behaviours. Therefore, investing in HIV prevention among young people is likely to contribute significantly to a more sustainable response to HIV/AIDS.

II. Background

10. The Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives (WSSD+5) invited UNAIDS and its cosponsoring organisations to develop a plan of action to reduce HIV infection levels among young people by 25% in the 25 most affected countries in Africa by 2005 (Annex 1). The need to prioritise HIV/AIDS and young people and to take action to stop the spread of HIV by investing in adolescent health and development has been highlighted in several recent forums (Annex 2). In December 1998, the elements of a global strategy for young people and HIV/AIDS was presented by UNAIDS at its Programme Coordinating Board Meeting in India. The seven areas of action articulated in the elements of a global strategy were further defined for the 1999 UNAIDS World AIDS Campaign which again focused on young people. The key actions in the ICPD+5 Goals/Programme of Action addressed the issue of young people specifically and identified a similar goal of reducing HIV/AIDS by 25% by 2005 in the most affected countries. Moreover, in December 1999, a meeting on the International Partnership against AIDS in Africa was convened by the Secretary General in New York with the goal of bringing together a broad range of partners to respond to the epidemic and to mobilise the high level political support required such that, "*by the year 2005 HIV prevalence in age group 15-24 years is reduced globally, and by 25 percent in the most affected countries, and that by 2010 prevalence in this age group is reduced globally by 25 percent.*"

World Summit for Social Development

11. In preparation of the General Assembly special session of the United Nations to be held in Geneva (26-30 May 2000), to consider the implementation of the Outcome of the World Summit for Social Development and Further Initiatives, the Preparatory Committee for the WSSD +5 met and requested that UNAIDS, in conjunction with its seven co-sponsors, address the following commitment and Action (Decision 1 of the Preparatory Committee as delineated in document A/AC.253/L.7/Rev.1):

Commitment 7:

12. *Acceleration of development in Africa and in the least developed countries.*

para. 70.

13. *Encouraging the 25 African countries most affected by HIV/AIDS to adopt time-bound targets for reducing infection levels, such as a target of reducing infection levels in young people by 25 percent by 2005; and inviting the Joint and Co-sponsored United Nations Programme on Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome, in conjunction with its cosponsoring agencies, to prepare and propose means for implementing a strategy for achieving this target.*

UNAIDS PCB Background Discussion Paper

14. The background discussion paper for the UNAIDS Programme Coordinating Board (PCB) meeting, held in New Delhi in December 1998, addressed the issue of young people and HIV/AIDS: "*Young people and HIV/AIDS: Background discussion paper on the elements of a global strategy*". The PCB paper put forth seven action areas. The purpose was to inform the strategy development discussions of different partners concerned with improving the response to HIV/AIDS, thus, making them more appropriate to the needs of young people. The action areas outlined in the PCB paper were developed with the consensus of the cosponsors, all of which have a role to play in conjunction with governments and NGOs. They are the following:

1) Establish or review national policies to reduce the vulnerability of young people to HIV/AIDS and ensure that their rights are respected, protected and fulfilled.
2) Promote young people's genuine participation in expanding national responses to HIV/AIDS.
3) Support peer and youth groups in the community to contribute to local and national responses to HIV/AIDS.
4) Mobilise parents, policy-makers, media and religious organisations to influence public opinion and policies with regard to HIV/AIDS and young people.
5) Improve the quality and coverage of school programs that include HIV/AIDS and related issues.
6) Expand access to youth-friendly health services including HIV/STI prevention, testing and counselling, care and support services.
7) Ensure care and support of orphans and young people living with HIV/AIDS.

15. These action areas, as agreed upon by UNAIDS and its co-sponsoring organisations, form the basis for the strategies to be implemented to achieve the above-stated goal of reducing HIV among young people in the 25 most affected countries in Africa.

ICPD + 5 Goals and Programme of Action

16. On July 2nd 1999, the 177 Member States participating in the Twenty-first Special Session of the United Nations General Assembly adopted by consensus a final document on "*Key actions for the further Implementation of the Programme of Action of the International Conference on Population and Development*". A particular area of action identified here is especially relevant to the above stated goal. It calls for Governments to provide "services to address effectively their reproductive and sexual health needs", respecting "their cultural values and religious beliefs" placing emphasis on the identity and rights of young people themselves. With the full involvement of young people and with the support of the international community, governments were urged to take action in a number of areas, including the development of action plans to address adolescent health needs. The UN system is specifically requested to support such efforts, and to evaluate programmes, document experiences, develop data collection systems to monitor progress, and to widely disseminate information about the design and functioning of such programmes.

17. A number of important recommendations are also made with regard to gender. In particular, the need to respect the human rights of women and girls is stressed. Governments are urged to incorporate these into formal and informal education processes; to promote and achieve gender equality and equity; to promote and protect the human rights of the girl child and young woman, which include their economic and social rights, as well as freedom from coercion, discrimination and violence, including harmful practices

and sexual exploitation; and to ensure universal access to appropriate, affordable and quality health care for women through their life cycle. The key actions document also calls for the development and availability of appropriate indicators for monitoring progress at the national level.

III. Areas for Strategic Action

18. In the five years after the World Summit for Social Development there has been a growing consensus on the centrality of health in development: as a critical input to social development; as an outcome of development; and as a fundamental human right. Few examples as clearly as HIV/AIDS have exemplified this inter-relation between development and health. HIV/AIDS has illustrated the effect of poverty on health, as it is evident that socioeconomic factors such as poverty, illiteracy, gender inequality, rapid industrialisation, and increased population mobility have affected the rapid spread of HIV. Moreover, HIV/AIDS has illustrated the equity gap. Successful public health measures have stabilised the epidemic in most developed countries. However, many developing countries are experiencing exponential growth of HIV/AIDS cases and yet they receive about 12% of global spending on HIV/AIDS care, research and prevention, despite having 95% of the HIV/AIDS cases.

19. The ultimate objective of development is an improvement in the human condition. In order for development to reap health and other social gains, development policies and economic strategies must be consciously aligned to the attainment of health and social objectives. The HIV/AIDS epidemic is erasing the many gains made in the last fifty years with regards to development, such as literacy and life expectancy. If we intervene now to stop the spread of HIV among young people, in a comprehensive manner, we can achieve the many objectives that have been set forth with regards to education, health, gender equity and human rights, while saving the lives of these young people. This is not only a challenge to all sectors, but the responsibility of each to ensure the health and development of young people, without whom there is no future.

20. The following areas for strategic action have been highlighted as essential for achieving the goal set forth by the United Nations to reduce the number of new HIV infections among young people by 25% by the year 2005 in the 25 African countries most affected by the epidemic.

A. Measurement

21. The availability of data is crucial for reaching the goal as stated below:

22. *Encouraging the 25 African countries most affected by HIV/AIDS to adopt time-bound targets for reducing infection levels, such as a target of reducing infection levels in young people by 25 percent by 2005; and inviting the Joint and Co-sponsored United Nations Programme on Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome, in conjunction with its cosponsoring agencies, to prepare and propose means for implementing a strategy for achieving this target.*

23. There is significant need to expand surveillance programmes to collect data by age, sex and year. This data is critical in order to know the extent of the epidemic among the young people in Africa and those most affected. Monitoring the impact of HIV/AIDS will better allow organisations to take appropriate targeted action.

24. In addition to improving and expanding surveillance measures, it is critical that there be monitoring and evaluation of interventions, both process and impact. This will allow decision-makers to make more informed choices with regard to human and financial resource allocation. Such data will be especially important as governments prepare to bring programmes to scale at the national level.

25. Continued efforts are needed to improve surveillance systems oriented more towards risk behaviours especially among highly vulnerable groups. Such behavioural surveillance methods will generate more specific information that will help in targeting interventions, particularly at the policy level.

26. Nearly all the countries with high HIV prevalence have conducted some studies and situation analysis on HIV/AIDS and young people. However, more comprehensive and compatible analysis should take place at country level in order to best inform programme planning and resource allocation, as well as to allow for a more manageable system with which to share experiences between countries in the region. Capacity building at the country level will be necessary for collecting and analysing data at national and communal levels to measure HIV/AIDS and other adolescent health and development indicators.

B. National policies to promoted young people's rights and reduce their vulnerability to HIV/AIDS

27. Adolescents must have opportunities to develop their individual capacities in safe and enabling environments that promote their participation and contribution to society. Realising this outcome for adolescents will contribute to human development and rights by maximising the resource that adolescents represent in their families and communities; breaking the inter-generational patterns of poverty; socio-economic exclusion, gender and ethnic discrimination, exploitation and abuse; and ameliorating a range of public health priorities, in particular, HIV/AIDS.

28. Adolescents must have access to a full range of opportunities and services, fundamental to their healthy development and to reducing their risk of acquiring HIV. They need schooling, youth-friendly health services and counselling, access to a distinct juvenile justice system, and opportunities for livelihood that are appropriate for evolving capacities, contribute to their development and are adequately remunerated.

29. Most African countries have formulated policies within their National Strategic Plans on HIV/AIDS that have become the basis for programmatic action directed at prevention, care and impact alleviation specifically for young people. The scopes of these policies have varied from country to country. Some articulate general strategic goals of prevalence reduction among young people; others are more specific in terms of defining priority problem areas, such as child abuse, rape, education for in- and out-of-school youth; age restrictions on the purchase and use of alcohol; while a few more are explicit about national policy-making and implementation mechanisms. This diversity indicates a need to set down comprehensive yet more precise national guidelines that provide both strategic goals as well as measurable objectives for priority areas.

30. Within the framework of the *Convention on the Rights of the Child* (CRC), advocacy for the rights of adolescents must be occurring at all levels, but particularly at the national level in order to generate political commitment for increased attention to protecting their rights and providing for their needs.

31. More efforts are needed in the strengthening of national legislation focusing on protection issues to: prohibit discrimination related to HIV serostatus; protect property rights; assure access to information and services; and, reduce abuse, exploitation and trafficking of young people. Laws realising the rights of young people, and especially young girls should be introduced and more importantly, enforced. Active measures should be taken to improve the status of women, their economic independence, opportunities for education, and participation in the governing and policy-making process. Special policies to cover out-of-school youth are also needed, as these are often the most vulnerable young people.

C. Care and support for young people living with or affected by HIV/AIDS

32. An estimated 90 percent of children orphaned by AIDS are in Sub-Saharan Africa. The onslaught of AIDS on people of reproductive age is increasing the numbers of orphans at such rates that communities cannot rely on traditional means of caring for these children. This is particularly true in many sub-Saharan African countries lacking adequate basic social welfare services. The inability of communities to respond

adequately to the situation has resulted in social psychological and economic deprivation among those children. Therefore, increased community care and support services are needed.

33. The impact of HIV/AIDS on young people has resulted in outcomes such as: youth-headed households: economic/care roles; low educational levels; increased child labour; and the breakdown of family support systems.

34. Special attention must be paid to the needs of young girls as the impact of HIV/AIDS is often worse for girls whose parents have died, since these girls often care for siblings and take on extra work, thereby reducing their opportunities for schooling. In addition, improved employment and educational opportunities are needed for young people left as heads of households and for those young people that cannot attend school because they are caring for a sick relative or working to support the costs of medical care for family members.

35. As more adults die of AIDS and young people are left on their own or as heads of households, their vulnerability to becoming HIV infected greatly increases. Their need to support either themselves or their siblings requires that they seek employment, which can often be a very difficult task for a young person. Desperation may lead them to sell themselves as commercial sex workers or to trade sex for goods, greatly increasing their risk to infection as well as to abuse. Action must be taken to assist young adults to this end, and opportunities for employment that will also help them develop skills must be created and fostered.

36. The need to care for sick or dying relatives or to work in order to support themselves or their families greatly reduces the likely that these young people will continue attending school. Low educational levels have been shown to have adverse consequences to the health and development of young people. Action must be taken to provide education to those young people outside the formal school system.

37. Clearly there is momentum in the African region for interventions related to support and care of orphans and young people living with HIV/AIDS. A large number of countries have included activities oriented towards economic (e.g. nutrition and food security) and social (counselling and education) support for orphans. The challenge in this strategic area revolves around the magnitude of the problem, in which governmental and non-governmental responses are heavily constrained by resources. AIDS information should be integrated into job-skills training programmes. The private sector should be engaged in job creation and skills-building programmes especially developed for out-of-school youth.

C. Education

Schooling

38. AIDS has reduced the hard-won returns on investment in education. Teachers and students are dying or leaving school for economic reasons, because of illness or to care for family members, reducing both the demand for education and the supply of teachers. Over 30 percent of teachers in Malawi and Zambia are estimated to be HIV-infected. Parents with HIV keep children (especially girls) out of school for economic and social reasons, presenting an increasing challenge to reach out-of-school youth with effective AIDS-prevention programs.

39. Responding to the evidence of a crisis in the education sector in Africa as a result of HIV/AIDS, an informal group of agencies (UNAIDS, UNICEF, UNDP, UNESCO, The World Bank and USAID) are collaborating, mostly by email and "virtual conferencing, on several initiatives in the African region aimed at:

a) obtaining better statistics on the impact of HIV/AIDS on education sectors, in order to provide a sound basis for advocacy/action;
b) helping countries build their own relevant research capacities through coordinated research efforts sponsored by outside agencies, but using in-country research teams and institutions, and

c) assisting countries in developing human resources policy and programme initiatives to cope with the dysfunctionalities throughout the education sector (among teachers, administrators, students, families and communities) engaged in the vital local processes that make up education systems on the ground.

School-based health education

40. For AIDS prevention, life skills are as important as information about HIV/AIDS to enable young people to act on their knowledge, increase their autonomy in sexual encounters, and encourage responsible behaviour. Life skills refers to those skills that enhance psychosocial development. These include skills for decision-making and problem solving; creative and critical thinking; communication and interpersonal relations; self-awareness, and coping with emotions and causes of stress.

41. Studies have shown that skill-based education can make a significant and sustainable impact. A global assessment of school-based programmes found that education about sexuality and AIDS prevention incorporated into school-based programmes not only delayed the start of sexual activity but also reduced the number of sexual partners and raised contraceptive use among those who became sexually active.

42. School-based HIV/AIDS education has been a common response among several African countries, as a way of reaching the school-age population. Botswana, Uganda, and Zimbabwe have used life skills as the basis or within family life education, such as Ethiopia. In Kenya and Tanzania, the thrust has been reproductive health education. A noteworthy development in a few countries has been the inclusion of sexuality and AIDS education within in-service capacity building and preparation programmes for teachers. A fundamental component in school-based AIDS programmes is raising teacher capacities to address both information/skills needs on HIV/AIDS and education on issues around various aspects of adolescent development, including sexuality.

Information, Education, Communication (IEC)

43. Behavioural change communication continue to be the principle, first-option approach in almost all African countries. Often carried through peer education, these programmes have largely focused on breaking traditionally held taboos on sexual issues, thereby providing young people with much needed information. Interpersonal communication in small groups to discuss sensitive sexuality-related concerns combined with mass media as well as traditional media for creating public awareness on more general HIV/AIDS issues have shown to be effective. Peer education within outreach programmes has been used in reaching out-of-school youth.

44. Education for prevention and non-discrimination with the goal of transforming social norms that place young people at risk needs to be a priority. Furthermore, education programmes must address adults and, in particular men so that they may adopt more responsible sexual behaviours.

45. Efforts are needed to greatly improve the quality and expand the coverage of schooling and of school programmes that include HIV/AIDS and related issues. Increased technical support to governments is required to support them in the development of appropriate school programmes that include lifeskills education. Ensuring access to schooling, especially for girls, by introducing specific measures such as subsidies, scholarships, and the provision of alternative venues for education including vocational training is necessary.

E. Youth-Friendly Health Services

46. High rates of adolescent pregnancy and of sexually transmitted infections (STI) provide an indication of the extent of unprotected sexual activity among young people. Demographic health surveys conducted in sub-Saharan Africa between 1990 and 1996 show that nearly 70% of women in Uganda, Burkina Faso and Guinea were pregnant by the age of 19, and over half the women in Benin, Cameroon,

Namibia, Tanzania and Zambia also became pregnant as adolescents. Moreover, the under 25 year olds account for approximately one-third of the 333 million new cases of STI per year.

47. Youth-friendly health services that offer young people access to diagnosis and treatment for STI, family planning services, antenatal and obstetric care, the possibility of discussing sexuality or substance use, and obtaining condoms and other protective devices are not commonly found. Access to treatment and drugs for opportunistic infections and TB therapy are other essential elements of health services for all young people with HIV/AIDS. Counselling is rarely available and voluntary counselling and testing (VCT) services are scarce in developing countries. The negative health consequences to adolescents by not seeking care and treatment or not being able to access services can be severe.

48. Injecting drug use (IDU) is not very common in Africa, however, increases are being seen in some countries such as Nigeria and South Africa. Increased attention must then be given to this issue, as it has been shown that a comprehensive response before prevalence reaches 5% can curtail the spread of HIV via IDU through outreach to IDUs, access to sterile needles and syringes, and access to drug treatment and education. If attention and resources are not directed at monitoring this form of transmission, severe consequences can result as evidence shows that HIV can explode to over 40% of the IDU population within 6-12 months.

49. The need to address substance use is also critical as resulting intoxication from alcohol and other substances places adolescents at increased risk for engaging in high risk sexual behaviour, such as non-use of condoms, difficulty in negotiating safer sex, increased numbers of partners, and abuse/exploitation. It is critical that efforts to address safer sexual practices also include the connection to substance use.

50. National AIDS Strategic Plans in Africa have increasingly acknowledged the value of establishing youth-friendly health services. Since there is a prevalent fear among young people of the lack of confidentiality and of discrimination in many health facilities, health services especially for young people 's needs have been gaining prominence in national plans. Some countries have opted to provide these services through partnerships with NGOs demonstrating expertise in this area and already operating such services. In a few countries, public health services are being redesigned for this special purpose, with particular emphasis on training health workers on voluntary counselling and testing, HIV/AIDS prevention, and STI diagnosis and treatment grounded in adolescent psychology and development.

51. Strategies are being developed to integrate VCT into health services and other agencies targeting young people. Work is also being undertaken to look at the integration of STI and HIV prevention and care within family planning services.

52. Action should be taken to strengthen the capacity of public and private health and social facilities to provide youth-friendly services and health promotion activities. Efforts should also be made to assure that services are accessible to especially vulnerable young people (e.g. displaced adolescents, street youth). In addition, because overall coverage of health services in Africa is low, access to the essential elements of health services outside of traditional service structures should be made available.

F. Mobilisation of young people, families and communities

53. There are special reasons as to why young people's involvement is essential for action on HIV/AIDS. Young people's understanding of life is developed both with and among their peers. Friends shape young people's understanding of social relationships, develop negotiation skills, and enables them to develop a sense of personal competence and responsibility. This kind of peer support is invaluable for AIDS action, because it can channel correct information about HIV prevention. In addition, it can draw young people into productive activities which significantly contributes to increased competence and confidence.

54. When young people are empowered they are highly effective messengers to their friends, peers and local communities. However, a critical issue is "how to" operationalise young people's participation.

Support to peer and youth groups in communities, schools, and workplaces must be defined in consultation with them. The approach should emphasize HIV/AIDS but also be used as an opportunity to equip them with life skills.

55. The mobilisation of stakeholders in adolescent development, particularly parents and community groups, has emerged to have significance in some African countries. National Strategic Plans on HIV in three countries clearly embody interventions involving parents and communities that focus on improving intergenerational communication and strengthening the family and community systems to provide psychosocial support principally for the needs of young people vulnerable to violence and poverty. The involvement of young people themselves in more substantive roles (programme design, implementation and evaluation) is an area that needs to be further advanced in many countries. A small number of countries partner with large, traditional youth-oriented organisations, such as the YM/WCA and national youth centres. While the need for interventions for young people has taken firm roots, mobilising young people at grassroots levels as resources remains an area for development.

56. Efforts should be made to increase participation of young people in decision-making, planning, implementation, and evaluation of programmes and policies with regards to health and social issues that concern them. Training and support to parents and adults who are responsible for working with/for young people, such as teachers, health and social service providers, NGO staff, community leaders and policy makers are also required in order to develop their abilities to work with young people.

IV. Role of UNAIDS Cosponsors, the Secretariat, Governments, NGOs, Civil Society

UNICEF

57. UNICEF has committed to stepping up implementation of its programmes through its country programmes of cooperation. HIV/AIDS programme officers will be appointed in at least ten UNICEF Country Offices in Eastern and Southern Africa to greatly strengthen the design and implementation of HIV/AIDS programmes. In HIV/AIDS endemic countries, UNICEF offices should be expanding access to voluntary and confidential counselling and testing by supporting the introduction of such services. These services are to be offered to risk groups, including pregnant women and adolescents.

58. UNICEF offices in the 25 most affected countries will (1) define IEC campaigns for youth with measurable objectives, focusing on key messages that every young person should be exposed to, (2) strengthen lifeskills education in schools and out-of-school programmes, and (3) ensure the definition and implementation of a standard package of youth-friendly services both in and beyond the health system. UNICEF will also make efforts to mobilise young people, increase access of young people to VCT, and support community capacity building.

UNDP

59. As part of the International Partnership Against HIV/AIDS in Africa, UNDP has indicated its focus on mainstreaming HIV/AIDS activities within the context of sustainable human development, governance and human rights. The creation of the appropriate enabling environment within societies is critical for all, and especially for the young, to be able to seek information, assistance, and care.

60. In addition, UNDP plans rapid assessment of pilot projects and has supported work on deepening the involvement of civil society organisations and communities, including local governments in the response to the epidemic, and support to regional prevention of maternal mortality network as a resource for the Africa region.

61. Future activities will continue within the framework of sustainable human development, governance and human rights with a focus on community involvement, supporting the creation of the needed enabling environments at national and local levels, involvement of HIV positive people, and building partnerships with civil society and private sector.

62. Within UNDP's decentralised environment specific goals will be established in each country office and within the regional programme. In this context, UNDP has recently adopted a planning and monitoring approach under Results Based Management. The totality of UNDP's assistance at the country level is reflected in a Strategic Results Framework (SRF). The same format guides work at regional and global levels as well.

63. A large part of the SRF reflects the work on governance, human rights, and community involvement, and is categorised within the section of the SRF entitled: The Enabling Environment for Sustainable Human Development. More specifically to actions on HIV/AIDS, within the SRF section on Poverty Eradication and Sustainable Livelihoods. These, then, are the corporate directions for work on HIV/AIDS by UNDP which will be in addition to the many windows of opportunity that will present themselves under the Enabling Environment and the Gender sections of the SRF.

UNFPA

64. UNFPA support to reproductive health has been directed traditionally to family planning and related activities, but broader issues of sexual and reproductive health and HIV/AIDS have attained much greater priority in the ICPD+5 Programme of Action. UNFPA will continue to support HIV/AIDS prevention activities in all its programme countries and with UN partners, non-governmental organizations and civil society, and the private sector, in national AIDS programmes. UNFPA will support at all levels of both formal and non-formal schooling education about population and health issues, including sexual and reproductive health. UNFPA will also support the supply and distribution of condoms, including research on the feasibility and efficacy of the female condom, and evaluation of projects with HIV/AIDS prevention components.

65. UNFPA will support the provision of appropriate, specific, user-friendly and accessible reproductive health services, including sexual health education, information and counselling services for adolescents. In addition, it will support HIV/AIDS prevention activities specifically targeted at men. It will assist in the development at national and other levels, as appropriate, of action plans for adolescents and youth, based on gender equity and equality, that cover education, professional and vocational training and income-generating opportunities and to the extent feasible, involve adolescents and youth themselves in the design and implementation of such information and services.

66. UNFPA will also support the training of reproductive health information and service providers in HIV/AIDS; and health promotion strategies and IEC activities on HIV/AIDS as part of population and reproductive health programmes. This includes efforts to equip adults (e.g. parents, community and religious leaders, other legal guardians) with the knowledge and skills involved in providing sexual and reproductive health information.

UNDCP

67. UNDCP will address drug abuse and HIV/AIDS in Africa through:

- Drug abuse preventive education and training in treatment and rehabilitation
- The strengthening of NGOs and communities involvement in drug abuse prevention
- Rapid assessments: UNDCP will coordinate activities of its Regional offices in Senegal and Pretoria and its sub-regional office in Nairobi with those of other cosponsors on the extent and pattern of drug abuse in relation to HIV/AIDS.

68. UNDCP's thematic priorities are to focus on drug abuse prevention and advocacy, mainly in the areas of:

- Relationship between HIV/AIDS and injecting drug use
- Assessment of the extent of HIV infection generated through irresponsible sexual behaviour cause by illicit drug abuse
- Drug education, awareness and information programmes, as well as ongoing counselling, treatment, community care and rehabilitation programmes including HIV components.

69. UNDCP will focus on reducing initial drug use among young people and the negative health consequences of drug abuse including HIV infection. UNDCP programmes will target vulnerable populations and particularly children and young people. UNDCP will develop education programmes that include life skills training, and IEC campaigns designed, implemented and evaluated with youth participation.

UNESCO

70. UNESCO's aim is to encourage the development of effective educational strategies that help young people adopt attitudes and behaviours to avoid HIV infection.
UNESCO's strategy in education for HIV/AIDS prevention:

- Strengthen the capacity of Ministries of Education to implement or develop effective educational programmes on HIV/AIDS prevention within the school systems through high-level regional seminars for education decision-makers.
- Adaptation, translation and world-wide distribution of prototype curriculum and resource materials for use in school settings
- Development of an action framework to strengthen information exchange through existing UNESCO international networks and resource centres, in collaboration with NGOs and educational institutions
- Promotion of preventive education based on local traditional cultures and values, and developing compatible innovative teaching methods with NGOs.

WHO

71. HIV/AIDS is overwhelming the health services and education systems of many member states. WHO will focus on strengthening health services to respond to the epidemic by supporting improved health policy planning and more effective health service delivery. Improving the health system's response to HIV/AIDS among the entire population has been a particular effort in several African countries. The role of community based care to complement institutional care of people living with HIV/AIDS is also being examined.

72. Considerable effort is being devoted to improve the accessibility and acceptability of health services to adolescents (school going; especially vulnerable young people such as refugees, street youth); and to improving the knowledge and skills of health workers to adolescent adolescents' needs. Strategies are being developed to integrate voluntary testing and counselling into health services and other organisations working with young people.

73. WHO is working with a range of international alliances and networks to implement HIV/STI prevention activities through schools. An HIV/STI prevention component of life skills education in schools is being developed. Promotion of skills-based education beyond the school setting is seen to be a critical area for support for Africa.

74. Blood safety as a priority area for action - young people are over-represented in statistics on trauma and complications of pregnancy which may require the transfusion of blood or blood products.

75. WHO has an extensive programme of work covering the prevention and treatment of tuberculosis associated with HIV infection. Much of this work is relevant to young people as both HIV and TB infection rates are rapidly increasing in this group. WHO is giving special attention to improving access to pharmaceuticals for prophylaxis and treatment of HIV and HIV-related illnesses for vulnerable young people.

76. In association with UNAIDS, WHO is involved in the development of HIV surveillance and operational manuals. Technical support is being provided to countries to establish and strengthen their HIV/AIDS/STI surveillance capacity.

77. WHO will continue focussing on reducing the initiation of substance use among young people as well as addressing the negative health consequences of their use in Africa , including HIV infection.. This will be done through country, regional and global activities to develop and implement rapid assessments and response tools; improve primary prevention, eg education; increase training in treatment and rehabilitation. Moreover, while IDU is currently not common in Africa, WHO is undertaking a global study on IDU and HIV to assess the overall extent of the problem and develop tools to improve intervention design.

78. Efforts to develop a policy framework for African countries to reduce the vulnerability of young people to HIV/AIDS and to ensure that their rights are known, respected, protected and fulfilled will be high on the agenda.

World Bank

79. The World Bank will play a stronger role in this effort. The Bank's new strategy to combat the epidemic in partnership with African governments and UNAIDS stands on four pillars:

1) Advocacy to position HIV/AIDS as a central development issue and to increase and sustain an intensified response.
2) Increased resources and technical support for African partners and Bank country teams to mainstream HIV/AIDS activities in all sectors.
3) Prevention efforts targeted to both general and specific audiences, and activities to enhance HIV/AIDS treatment and care.
4) Expanded knowledge base to help countries design and manage prevention, care, and treatment programs based on epidemic trends, impact forecasts, and identified best practices.

80. To stimulate and support implementation of the strategy, the Bank has established a multisectoral AIDS Campaign Team for Africa (ACT*africa*), based in the Office of the Regional Vice Presidents. Most of its work will be demand-driven and funded from country budgets. The team will serve as the region's focal point and clearinghouse on HIV/AIDS and will provide a variety of services, including:

- Equipping and supporting Bank country teams to mobilise African leaders, civil society, and the private sector to intensify action against HIV/AIDS.
- Retrofitting projects with HIV/AIDS components where possible, assisting in the development of new dedicated HIV/AIDS projects, and building AIDS-mitigation measures into other projects where necessary.
- Supporting Bank country teams in addressing HIV/AIDS in their country assistance strategies.
- Exploring the feasibility of building an AIDS impact assessment module into existing environmental and/or social assessment processes.
- Collecting and disseminating information on the progress of the epidemic, country-by-country statistics, and best practices.

- Strengthening and expanding the Bank's partnership with UNAIDS, as well as with key agencies, nongovernmental organisations, and interested bilaterals.

81. Equally important will be continued Bank efforts to help countries improve their economic and social circumstances and hence slow the spread of the epidemic by educating girls; reducing poverty; making health sector reform more HIV/AIDS sensitive; expanding gender initiatives; and strengthening capacity building to address the massive loss of skills and experience that has resulted from the epidemic.

V. Conclusions

82. There is strong consensus about what works to slow the HIV/AIDS epidemic. Successful national HIV/AIDS programs have many things in common. They have government commitment at the highest level and multiple partnerships at all levels with civil society and the private sector, and establish programmes that make HIV/AIDS highly visible. They invest early in effective HIV prevention efforts, especially for adolescents, and use mutually reinforcing interventions that reflect the conviction that safer practices are not only the result of individual decisions related to behaviours, but are also the result of changing the context in which decisions are taken. Moreover, they are decentralised and use participatory approaches. The challenge is to create the enabling environment and mobilise the resources to quickly bring these interventions to scale.

83. The governments of these countries cannot alone ensure the well being of their youth population. Partnerships are key, as are increased resources, policy development, review and reform of laws, social mobilisation and co-ordination among the international community, government, the private sector and civil society.

84. It is clear that on all fronts the battle has begun to fight the AIDS pandemic to ensure the health and well being of our young people, not because they are our future, but because they live today.

VI. Recommendations

Recalling the targets related to HIV/AIDS and young people as noted in commitment 7, paragraph 21 of the Preparatory Committee for the WSSD+5[1] and in accordance with the lines of action indicated in the global strategy for young people adopted in 1999 by UNAIDS Programme Coordinating Board with representatives of 22 governments, non-governmental organisations and the Cosponsoring organisations, it is recommended that:

1. Governments expand and strengthen their current programmes on and with young people and HIV through the following actions:

   - Develop a collective strategic vision among governments, non-governmental organisations, the donor community and intergovernmental organisations in order to assure the necessary multisectoral response/interventions needed to address the needs of young people.

   - Organise and support the establishment of a young people's task force on HIV/AIDS as a body to oversee and advise on overall policy and strategy in the twenty-five most affected countries in Africa. The youth task force should be based in a key government department with responsibilities in youth activities and HIV/reproductive health activities. Membership would include other government departments, civil society organisations and other stakeholders, including young people and major implementers. UNAIDS and its Cosponsors should facilitate this process by increasing support and by assisting the formulations, implementation and evaluation of programme activities.

   - The primary responsibilities of the national young people's task force should be to:

     - Conduct situational analysis at country level, reviewing the current status of young people's health and development, with a focus on HIV/AIDS;

     - Conduct analysis of providers of public health, social and economic services including key NGOs, youth organisations, religious groups, and associations of people living with HIV/AIDS;

     - Prioritise areas for intervention, following the areas for strategic action;

     - Actively promote or intensify the capacity and participation of young people non-governmental organisations in the planning and implementation of the national youth and HIV work;

     - Develop a detailed workplan specifying inputs, activities and measures on an annual basis for 4 years, in line with National Strategic AIDS plans;

[1] A/AC.253/L.7/Rev.1 Commitment 7, paragraph 21, "Invites the United Nations <Programme on Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome, in conjunction with its seven sponsors, the United Nations Children's Fund, the United Nations Development Programme, the United Nations Population Fund, the United Nations International Drug Control Programme, the United Nations Educational, Scientific and Cultural Organization, the World Health Organization and the World Bank, to prepare and propose means for implementing a strategy for reducing the human immunodeficiency virus/acquired immunodeficiency syndrome infection rate in young people between the ages of fifteen and twenty-four years, with the goal of ensuring that by 2010 prevalence in this age group is reduced globally by 25 per cent and in the twenty-five African countries most affected by the pandemic, by 25 per cent by 2005.

- Make provisions for adequate technical support for specific interventions;

- Develop a plan for mobilising resources mobilisation to support programmes related to the goal of reducing HIV among young people in the country.

2. In order to accelerate focussed action at country level, the UNAIDS Secretariat and its cosponsors:

- Support means of increasing national technical capacity related to the areas of strategic action in this report and the means of exchanging information and progress among countries. This will require the technical and operational support of the 25 African countries, in particular related to the provision of socio-economic and health services, information/skills building, and community-based action to reduce the conditions that place adolescents at risk of infection and to promote their healthy development.

- Undertake a process of further clarifying roles and responsibilities of their specific comparative advantages with regards to interventions for the prevention of HIV among young people, in order to ensure that adequate and appropriate human and financial resources are allocated for the specific purpose of achieving this goal.

- Develop a core set of indicators and tools to monitor overall implementation of youth programmes through UN theme groups on HIV/AIDS in countries, and to evaluate the impact of the global strategy for young people in the most affected countries in Africa.

- Consolidate resources for capacity building by creating or strengthening technical resource networks at country and regional levels.

- Develop a strategy for resource mobilisation for programme activities for young people as part of the International Partnership Against HIV/AIDS in Africa.

3. The UNAIDS Secretariat provides continued leadership and support in the detailed preparation of a UN workplan for young people which includes inputs, activities and measures in 25 African countries most affected by HIV/AIDS.

Annex 1 (provisional*)

Current Prevalence in 15-24	Countries	Average Prevalence (15-24)	Target Prevalence (15-24)	Approximate Number of 15-24 Living with HIV/AIDS
High Category (Prevalence in 15-24 above 10%)	Botswana			
	Swaziland			
	Zimbabwe			
	Lesotho			
	South Africa			
	Namibia			
	Zambia			
	Malawi			
	Mozambique			
	Group Average	15%	11%	3,000,000
Medium Category (Prevalence in 15-24 between 5 and 10%)	Kenya			
	CAR			
	Cote d'Ivoire			
	Rwanda			
	Ethiopia			
	Burundi			
	Uganda			
	Tanzania			
	Group Average	7%	5%	2,700,000
Lower Category (Prevalence in 15-24 between 2 and 5%)	Congo			
	Burkina Faso			
	Togo			
	Cameroon			
	Nigeria			
	Djibouti			
	Gabon			
	Democratic Republic of Congo			
	Group Average	4%	3%	1,400,000
	Overall Average	7%	5%	7,100,000

*To be further developed later in 2000

Annex 2

Regional and Sub-regional technical forums contributing towards the development of a common goal:

> *Encouraging the 25 African countries most affected by HIV/AIDS to adopt time-bound targets for reducing infection levels, such as a target of reducing infection levels in young people by 25 'percent by 2005; and inviting the Joint and Co-sponsored United Nations Programme on Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome, in conjunction with its cosponsoring agencies, to prepare and propose means for implementing a strategy for achieving this target.*

Ouagadougou, Burkina Faso: 2 June 1998
34th Ordinary Session on the OAU Assembly: Burkina Faso Summit

Addis-Ababa, Ethiopia: 8 May 1999
ECA Conference: 304th Meeting

Johannesburg, South Africa: 4-5 November 1999
Special Meeting of the SADC Health Ministers and the Health Minister of Rwanda

Algiers, Algeria: 6-10 July 1999
70th Ordinary Session of the Organization of African Unity

Tokyo, Japan: 19-21 October 1998
TICAD II: Tokyo Declaration on African Development

Meeting for the Development of Objectives and Goals by Partners

Annapolis, Maryland: 19-20 January 1999
International Partnership Against HIV/AIDS in Africa
Meeting of the UNAIDS Cosponsoring Agencies and Secretariat

London, United Kingdom: 23-24 April 1999
Meeting of Donor Countries on the International Partnership Against HIV/AIDS in Africa

Maputo, Mozambique: 14-16 June 1999
Meeting of Theme Group Chairs, National AIDS Programme Managers, and UNAIDS Country Programme Advisors – Southern Africa Region

Dakar, Senegal: 30-31 August 1999
The International Partnership Against HIV/AIDS in Africa: Meeting with NGO Representatives

Lusaka, Zambia: 14 September 1999
Local Level Partnerships: Meeting with NGO Representatives

Gabarone, Botswana: 20-23 September 1999
Consultation with Christian Leadership and Development Organisations Journey into Hope: Consultation on HIV/AIDS-Related Issues

Acronyms and Abbreviations

ACT*africa*	AIDS Campaign Team for Africa (World Bank)
AIDS	acquired immunodeficiency syndrome
CRC	Convention on the Rights of the Child
HIV	human immunodeficiency virus
IEC	Information, Education & Communication
MOE	Ministry of Education
MOH	Ministry of Health
MTCT	mother-to-child transmission
NGO	nongovernmental organisation
SRH	sexual and reproductive health
STI	sexually transmitted infection
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDCP	United Nations Drug Control Programme
UNDP	United Nations Development Programme
UNESCO	United Nations Education, Scientific, and Cultural Organisation
UNFPA	United Nations Fund for Population Activities
UNICEF	United Nations Children's Fund
VCT	voluntary counselling and testing
WHO	World Health Organisation

United Nations A/AC.253/16/Add.10

General Assembly

Distr.: General
10 February 2000

Original: English

Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives
Second session
3-14 April 2000
Item 2 of the provisional agenda*
Preparations for the special session of the General Assembly on the implementation of the outcome of the World Summit for Social Development and further initiatives

Review reports and proposals for further action and initiatives submitted by organs and specialized agencies of the United Nations system and other concerned organizations

Note by the Secretary-General

Addendum

Contribution from the International Labour Office**

1. The Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives, in paragraph 6 of the annex to decision 1,[1] requested the Secretary-General to present to the Preparatory Committee at its second substantive session an update on the report presented to the General Assembly at its fifty-fourth session, as requested in paragraph 20 of Assembly resolution 53/172 of 15 December 1998, with particular focus on social development and suggesting specific measures for responding to the social consequences of the recent financial crises.

2. The Preparatory Committee, in paragraph 10 of the annex to decision 1, invited the Secretary-General, in cooperation with relevant organizations, in particular the International Labour Organization and the International Social Security Association,

* A/AC.253/12.
** The report is being issued as received in the language of submission only.

00-29072 (E) 210200

to prepare a report for the Preparatory Committee at its second substantive session containing recommendations for further action in the field of social protection, taking into consideration the particularities of regions and countries, their level of development and the need for international cooperation to support the efforts of developing countries in that regard within the overall goal of the eradication of poverty.

3. The Preparatory Committee, in paragraph 11 of the annex to decision 1, invited the International Labour Organization and other relevant organizations of the United Nations system, such as the World Bank:

(a) To present analyses on the following issues:

(i) The scope for and obstacles to increasing the employment potential of infrastructure development in developing countries, in particular in rural areas;

(ii) Stimulation of employment in the social sector through private investment;

(iii) Special employment issues faced by particular groups, including youth, older persons, migrants, persons with disabilities and indigenous people;

(iv) The contribution of the informal sector and small enterprises in generating potential for self-employment and sustainable livelihoods and in contributing to social integration, in particular for vulnerable groups;

(v) Policy measures at the regional and international levels to stimulate employment;

(vi) Successful national and regional initiatives and experiences in the creation of employment and their applicability elsewhere;

(vii) The role of vocational education, training and retraining, in particular in skills increasingly demanded in the changing technical and economic environment;

(viii) The potential role of social dialogue in increasing employment;

(ix) Reconciliation of work and family life;

(b) To propose, on the basis of the analyses, concrete suggestions for employment generation, taking into account gender-specific obstacles to employment as well as the goal of equal employment opportunities.

4. The Secretary-General accordingly circulates herewith, for the information of the Preparatory Committee, the report prepared by the International Labour Office in response to those requests.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 45* (A/54/45 and corrigendum), chap. VI, sect. B.

DECENT WORK AND POVERTY REDUCTION IN THE GLOBAL ECONOMY

Preface

At the ILO we have a strong commitment to the success of the Beijing +5 and Copenhagen +5 processes leading to the Millennium General Assembly. We see the three events as interconnected. They constitute for the United Nations system an extraordinary opportunity to define major problems of today properly and to agree on policies to address the social impact of globalization, acknowledging both the common and diverse interests of different groups of countries and their national situations. They should also help to reduce uncertainty and insecurity in the lives of ordinary people by responding to the critical social demands of women, men and children throughout the world, their families and the communities in which they live. We want to be a team player within a strong United Nations system that rises to the challenge of globalizing social progress.

Juan Somavia,
Director-General,
International Labour Office.

Contents

Preface iii

Summary vii

I. Introduction 1

II. Social progress since Copenhagen 2

III. Priority issues and proposals for further initiatives 7

A. The need for an integrated approach and greater policy coherence 8

B. Promoting decent work in the global economy 10

IV. Concluding remarks 20

Summary

The paper provides an ILO perspective on the social impact of salient developments in the global economy since the World Summit for Social Development in 1995. It highlights the fact that the processes of globalization in terms of trade, investment and financial liberalization, as well as technological change, have intensified since then. With the increasing importance of freer cross-border transactions and global production networks it is necessary to shift to a global, as opposed to the traditional international, approach to economic and social policies. Issues of global governance through consensus building and freely chosen international agreements are now at the centre of the agenda for the world community.

The paper also underscores the fact that, together with its many achievements, the present form of globalization has not succeeded in making markets work for all. The benefits of globalization have been very unevenly distributed both between and within nations. At the same time a host of social problems have emerged or intensified, creating increased hardship, insecurity, and anxiety for many across the world, fuelling a strong backlash. As a result the present form of globalization is facing a crisis of legitimacy resulting from the erosion of popular support.

It is clear that the major technological changes driving globalization are here to stay. It is equally clear that a number of specific changes in present economic and social policies need to be adopted for the credibility of the overall process to be restored. This effort has been described as putting a human face on the global economy.

In order to resolve this crisis it is essential for the Special Session of the General Assembly on the Follow-up to the Social Summit in June 2000 to take imaginative and bold initiatives. The bulk of the present paper has in fact been devoted to arguing the case for some initiatives which the ILO considers to be of special importance. These proposals for further initiative are summarized below.

A. The need for greater policy coherence

The close interdependence of economic and social policies has long been recognized. It has indeed been a major feature of the work of the ILO throughout much of its existence and is underlined in the Copenhagen Declaration and Programme of Action. The Copenhagen Declaration stressed the need to "create a framework for action to ... integrate economic, cultural and social policies so that they become mutually supportive", while the Programme of Action emphasized the importance of "an integrated approach" to implementation. But the problems encountered as a result of the rapid progress of globalization have brought into sharp relief the need for it to be taken much more fully into account in national and international policy-making. The clear message that should emerge from the Special Session of the General Assembly is that the *integrated problems of sustainable economic growth and social development cannot be tackled with sectoral solutions*. We have reached the limits of sectoral solutions to integrated global problems.

Yet the manner in which the institutions of the international community operate does not reflect this basic but self-evident truth. In the fundamental area of integrated thinking the multilateral system of international organizations is under-performing. It can clearly do better. The interrelationships between the economic, environmental and social aspects of development, and the synergies to be built up between them, need to guide the policies and activities of the system as a whole. If not, there will be many missed opportunities. As a result, the activities and operations of the United Nations system will be less than optimally effective, and the world of international organizations lays itself open to criticisms of incoherence, inefficiency and wasteful duplication.

The Special Session should call for a more coherent and integrated approach to policy-making, based on a recognition of the necessary interdependence of economic and social policies to address the core issues of the Social Summit: poverty, employment and social integration. All agencies within the multilateral system should work more closely together in order to make the different dimensions of economic and social

progress mutually supportive. They should promote policy synergies which deal in an integrated fashion with the interrelated aspects of economic and social policy in order to address the social impact of globalization. In doing so, they should consider the national conditions and particular needs of different groups of countries. It is necessary to move away from "one-size fits all" solutions by putting the collective experience of the United Nations system at the service of individual countries in their development efforts. In this connection, the challenges that need to be addressed include:

(i) promoting the simultaneous and equal consideration of economic and social objectives in the process of policy formulation. This is essential for overcoming the unwarranted dichotomy between economic and social policies that is regrettably still all too common. The attainment of social objectives is the ultimate justification for economic policies. That being so, the employment and social impact of economic and financial policies need to be taken into account from the outset and not to be left for subsequent treatment. It would thus be important to institute systems for the *ex ante* assessment and continuous monitoring of the social impact of economic policies at both the international and national levels. Indeed there should be assessments not only of the social impact of economic policies but also of the economic impact of social policies. The latter is often overlooked or mistakenly undervalued, hence reinforcing the bias against social investments and expenditures. This would be particularly relevant to the formulation of macroeconomic policies for dealing with financial crises and the design of economic reform programmes such as trade and financial liberalization, privatization and enterprise restructuring, labour market deregulation, and social security reform;

(ii) developing new concepts and measurements that will facilitate the shift to a more integrated approach to policy formulation. This includes a widening of the concepts of productivity and efficiency beyond purely economic criteria to capture the positive developmental effects of investments in social capital and other social policies;

(iii) reforming the institutions and processes for policy formulation to ensure greater participation and transparency. Particularly important are measures to develop strong institutions for social dialogue between business and labour, as well as their involvement with relevant organizations from civil society in policy formulation and implementation. This will need to be based on action to strengthen the capacity of the social partners and civil society to address social and economic policy issues and their interlinkages. International cooperation must be based on national ownership of policies pursued;

(iv) promoting greater awareness of the continuing importance of the role of the State in dealing with market failures and providing public goods, especially in economies where markets remain underdeveloped and inefficient. This includes the State's role in alleviating poverty and reducing inequality, in maintaining adequate financing for basic social services, and in developing and maintaining the regulatory frameworks and institutions that are necessary for the efficient and equitable functioning of markets. This promotion of greater awareness needs to be supported by action to strengthen the capacity of the State to discharge these functions effectively. We need a "better" State that is respected and respects itself in the institutional function it performs for the benefit of its citizens;

(v) developing a positive environment for investment and enterprise creation nationally and internationally, considering good practices and major differences among countries. It should be based on the recognition of the interdependence between respect for freedom of enterprise for investors and freedom of association for workers. Innovation, creativity and entrepreneurship need to be stimulated. Special attention should be paid by all organizations to promoting small enterprises;

(vi) implementing the ECOSOC policy on gender equality defined in the Agreed Conclusions of 1997. This requires the mainstreaming of the gender perspective into all policies and programmes in the United Nations system. Mainstreaming is a strategy for making women's as well as men's concerns an integral dimension in the design, implementation, monitoring and evaluation of policies and programmes in all political, economic and societal spheres, so that women and men benefit equally and inequality is not perpetuated;

(vii) translating into concrete actions the call from the July 1999 Substantive Session of ECOSOC for "the relevant organizations of the United Nations system to take consistent, coherent, coordinated and joint actions in support of national efforts to eradicate poverty, with particular attention to employment creation and work and the empowerment and advancement of women".

The Special Session of the General Assembly should aim to leave its mark on the international system by creating a framework for an integrated approach to economic and social policy-making in an increasingly integrated world economy.

It should send the same message to national governments, where concerted and coordinated action among several ministries is essential for formulating coherent national financial, economic and social policies to respond to the far-reaching challenges of globalization. And it should insist on the importance of employers' and workers' organizations and other representative organizations of civil society being informed of the social benefits to be expected from policies of greater openness to the global economy, as well as the possible negative social consequences of such policies, and of their being consulted on the choice of mutually supporting economic and social policies to ensure that the benefits are equitably distributed and adequate assistance and protection provided to those most seriously affected by such changes. The assistance provided by the organizations of the United Nations system should promote an integrated approach at the national level, and to this end the entire system needs to dialogue not only with governments but also with representative organizations of civil society in all its country-level action. The absence of such a dialogue in the past may go a long way to explain why some policies have run up against strong popular opposition and great difficulties of implementation.

B. Promoting decent work in the global economy

The initial consultations on the possible content and outcome of the Social Summit in the early 1990s made it clear that two interlinked issues constituted the core of social disquiet in most countries: poverty and social exclusion. At the same time, those consultations made it clear that the first step out of poverty and social exclusion was some form of income-generating activity, described in many ways: jobs, sustainable livelihood, self-employment, micro-entrepreneurship, among others. Employment generation thus became the third core issue of the Social Summit. In this context, the Copenhagen Declaration and Programme of Action recognized that the ILO, "because of its mandate, tripartite structures and expertise, has a special role to play in the field of employment and social development" and requested it "to contribute to the implementation of the Programme of Action." In doing so, the ILO has developed many activities at the operational, research and policy level that it wishes to put at the disposal of the Special Session, as an input for its deliberations and with a view to its eventual support for these initiatives as an integral part of the conclusion of and follow-up to the session. They constitute the ILO's global programme on decent work.[1]

The programme is designed to be a strategic means of reducing poverty and promoting social integration and of giving effect to the more integrated approach to economic and social policies that is being called for. The overall goal of the global economy should be to provide opportunities for all men and women to obtain decent and productive work in conditions of freedom, equity, security and human dignity. This requires the attainment of four objectives: employment creation; promoting human rights at work; improving social protection; promoting a social dialogue. These are all areas which are vital to social progress in this era of globalization, which are central to the ILO's mandate, but which require an integrated approach involving many organizations in the international system.

Given the critical importance of employment creation, the Special Session is invited to call upon all States and international organizations to support, and collaborate with, the ILO in the following key initiatives:

[1] The Report *Decent work*, presented by the Director-General to the International Labour Conference in June 1999, is submitted for reference as a document of the Special Session.

(i) the preparation of and follow-up to a *World Employment Forum* that the ILO will hold in 2001. This will bring together national and international policy-makers, as well as representatives of the ILO's tripartite constituency, to examine critically some of the key problems that have to be confronted in achieving decent work in the global economy for all men and women, and to launch new initiatives to deal with them in the perspective of full employment;

(ii) the preparation and follow-up to a *Global Conference on the Informal Economy* that the ILO is planning to organize in the year 2002. The purpose of the Conference will be to take critical stock of what has been learned and what has been achieved over the past 30 years in this field, as originally identified by the ILO, and to identify key areas for action and attention in the years ahead;

(iii) the preparation of Country Employment Policy Reviews (CEPRs), carried out in close collaboration with national authorities and employers' and workers' organizations. These reviews are a major instrument for developing the comprehensive approaches that are necessary to overcome the many obstacles in terms of economic structure, market limitations, institutional deficiencies, policy inadequacies and lack of social dialogue that prevent developing countries from reaping fully the potential benefits of globalization for employment growth;

(iv) the production of future issues of the *World Employment Report*, which explores and highlights key developments and innovations in the employment field and aims to provide the basis for an informed global debate on employment issues. The next issue which will be published in 2001 is entitled *Employment Challenges in the 21st Century* and will focus on the impact of the new information and communication technology and the knowledge economy on employment and organization of work;

(v) the implementation of the InFocus Programme on Skills, Knowledge and Employability, which aims at promoting increased and effective investment in training and human resource development for enhanced employability, competitiveness and growth as well as improved access of vulnerable groups to human resource development and labour market opportunities;

(vi) the implementation of the InFocus Programme on Boosting Employment through Small Enterprise Development. Given that the greatest potential for job creation worldwide lies with the small enterprise sector, this programme aims to expand employment in this sector through enterprise creation and growth, improve the quality of jobs in small enterprises, ensure that gender concerns in small enterprise development are mainstreamed, and promote business networking and representation in small enterprises;

(vii) the implementation of the International Programme for More and Better Jobs for Women, which is directed at expanding employment opportunities for women while enhancing their conditions of employment and eliminating discrimination at work. The programme focuses especially on the needs of poor and vulnerable women and aims to demonstrate that women's economic empowerment also benefits their families, communities and societies;

(viii) the implementation of the "Jobs for Africa" programme, which is based on a framework for poverty-reducing employment strategies in Africa. The programme has two interlocked objectives: the first is to promote investment-led growth, while the second is to ensure that this growth maximizes employment and reduces poverty.

With respect to the quality of job creation, the Copenhagen Summit chose seven ILO Conventions and agreed to promote their ratification and implementation as a common objective of the international community.

Subsequently, in June 1998, the ILO approved the Declaration on Fundamental Principles and Rights at Work which set in motion a worldwide process of reporting and analysis within the ILO with respect to the effective realization of these rights. They refer to freedom of association, collective bargaining, non-discrimination, forced labour and child labour. Additionally, by unanimous vote of the Governments, Employers and Workers in June 1999, the ILO adopted Convention No. 182 concerning the prohibition and immediate action for the elimination of the worst forms of child labour.

In this context, the Special Session of the General Assembly is invited to call upon all States:

(i) to ratify and apply the seven basic ILO Conventions identified by the Copenhagen Summit as the social floor of the global economy, as well as the Worst Forms of Child Labour Convention, 1999 (No. 182), which has been adopted since the Copenhagen Summit;

(ii) to cooperate with the ILO in implementing the follow-up to the Declaration on Fundamental Principles and Rights at Work, which aims to ensure universal respect for the rights proclaimed in these Conventions. The support of the private sector in giving direct effect to these rights through corporate practices, as called for in the Global Compact proposed by the Secretary-General of the United Nations, would also be an important contribution. The Special Session could also call upon the organizations of the international system to pursue their policies and activities in ways that support, and certainly do not undermine, country efforts to respect, promote and realize the fundamental principles and rights at work in their development policies;

(iii) to support and participate in the global campaign launched by the ILO for the immediate elimination of the worst forms of child labour. In particular, national and international economic and social development programmes should systematically include urgent measures to this end. All international organizations and bilateral cooperation agreements could include specific objectives with respect to the worst forms of child labour. Eliminating the worst forms of child labour should spearhead the wider effort of progressively reducing all forms of child labour within the development reality of each country.

In the area of social protection the Special Session is invited to consider support for, and collaboration with, the ILO in the following key initiatives:

(i) the InFocus Programme on Socio-Economic Security, which is directed at developing policies and institutions that provide a growing proportion of the world's population with social and economic security; at identifying ways in which the poor and economically insecure can obtain minimal income security most effectively; and at identifying cost-effective and equitable ways in which social protection can be extended to all groups currently excluded from mainstream statutory social security schemes. The latter includes mechanisms such as informal micro-insurance schemes and appropriate unemployment and safety net schemes;

(ii) the InFocus Programme on SafeWork, which seeks to create worldwide awareness of the dimensions and consequences of work-related accidents, injuries and diseases and to strengthen practical action to bring about a significant improvement in the situation;

(iii) the ongoing ILO activities to advance gender equality at work and at home significantly by extending and strengthening measures that seek to harmonize work and family responsibilities;

(iv) ILO activities to improve protection of *migrant workers*, large numbers of whom continue to be subjected to exploitation in recruitment and employment, to forced labour, to exclusion from social insurance and to the denial of their human rights.

Finally, the Special Session is invited to consider support for the ILO's efforts to strengthen the systems and institutions for social dialogue. An InFocus Programme on Strengthening Social Dialogue has been launched to promote the benefits of social dialogue, both as an end in itself and as a means of action essential for achieving decent work for all and the reduction of poverty. The programme will seek to demonstrate the effectiveness of social dialogue, and to strengthen the institutions of social dialogue.

I. Introduction

The Social Summit was prescient in noting that "globalization ... opens new opportunities for sustained economic growth and development of the world economy, particularly in developing countries", but that "at the same time, the rapid processes of change and adjustment have been accompanied by intensified poverty, unemployment and social disintegration". Accordingly, it identified the key challenge as that of "how to manage these processes and threats so as to enhance their benefits and mitigate their negative effects upon people".[1] If anything, these insights remain more valid than ever after the five years that have elapsed since 1995.

Since then, the processes of globalization have intensified. Trade liberalization has advanced further with the implementation of the Uruguay Round and progress under regional trading arrangements. Growth in world trade continued to outstrip growth in world output. As a consequence, the share of world exports in GDP increased from 21.7 per cent in 1995 to 22.9 per cent in 1998.[2] Similarly, liberalization of foreign direct investment has continued and the total flow of foreign direct investment has increased from US$192 billion in 1990 to $400 billion in 1999.[3] Even more dramatic has been the increase in other financial flows in the global economy. With more countries embarking on financial liberalization, including the removal of controls over the capital account, and continued progress in information and communication technology, capital flows have surged. For example, net private capital flows to low and middle-income countries increased from US$43 billion in 1995 to $298 billion in 1999.[4] At the same time, rapid technological change has continued, most strikingly with the explosive growth of the Internet and electronic commerce. Continued falls in the cost of international communications and transport, together with reduced governmental barriers to doing business across the world, has led to further growth of global production networks centred around multinational enterprises. One indicator of this is the dramatic increase in the annual value of cross-border mergers and acquisitions, from US$100 billion in 1993 to $300 billion in 1998. Another is that intra-firm trade among multinational corporations (MNCs) is now estimated to account for one-third of world trade, and another one-third is MNC trade with non-affiliates.[5]

These developments have accentuated the shift from an international economy, characterized by economic relations among nation States with distinct economic boundaries, to a global economy where these boundaries are less significant and where cross-border production and transactions in goods, services, and finance assume more and more importance. This increasing openness of national economies, in conjunction with a growing web of multilateral agreements which constrain national actions, has limited the extent to which national policies alone can effectively solve the growing number of economic and social problems confronting the world. It thus places the issues of global governance through consensus building and freely chosen international agreements at the centre of the agenda for the world community. There is a need to move from an "international" approach to a "global" approach in dealing with economic and social problems. "The market economy itself is not merely an international system. Its global connections run beyond the relation between nations: it is very often relations between individuals in different countries, between different parties in a business transaction." There is thus a need "to go beyond the narrow limits

---

[1] United Nations: *The Copenhagen Declaration and Programme of Action* (New York, 1995), p. 5.

[2] IMF: *World Economic Outlook*, Oct. 1999.

[3] World Bank: *World Development Report*, 1999/2000.

[4] ibid.

[5] UNCTAD: *World Investment Report*.

of international relations: not just beyond the national boundaries but even beyond international relations into global connections".[6]

Since the Social Summit there has also been the trauma of the global financial crisis of 1997-99. Beginning as a currency crisis in Thailand in July 1997, it spread rapidly to other parts of Asia, to the Russian Federation, and to several Latin American countries. In the crisis-affected countries it inflicted sharp falls in output and much human suffering. But its ramifications were even wider in that it resulted in a significant fall in growth rates across the world. Regrettable as its social costs were, this first major crisis of globalization served the useful function of galvanizing world attention to the main economic and social problems that have emerged under the present form of globalization. It is imperative that the will to resolve this should not flag, now that recovery from that crisis has begun.

It is against this background that the present paper presents the ILO's views on the action that should be taken by the Special Session of the General Assembly to contribute to solving some major problems plaguing the world, such as poverty, the dearth of decent work and social disintegration. The basic message of this paper is that the present form of globalization is in crisis today because insufficient attention has been given to its social consequences and its social dimensions. As a consequence, it lacks social legitimacy and popular support. The central issue is, therefore, that of how to manage the process of globalization so that it contributes to meeting everyone's needs. In this context the paper stresses that it is essential to make a conceptual leap from sectoral approaches towards integrated thinking in order to find viable solutions to interrelated global problems. In particular, it is important to achieve greater policy coherence, both among international organizations responsible for different aspects of economic and social policy and among the departments of national governments. It gives particular emphasis to the need to organize international cooperation and partnerships in support of the ILO's global programme on decent work, which is a strategic means for reducing poverty as well as for giving effect to the more integrated approach to social and economic policies that is being called for.

II. Social progress since Copenhagen

In the period since the Social Summit, the rate of growth of real GDP in the world economy slowed considerably in 1998 and 1999 after having grown by 4.2 per cent in both 1996 and 1997. In 1998 it declined to 1.9 per cent and it is estimated to have been 3 per cent in 1999. The main factors behind this have been the Asian financial crisis, its contagion effects on other regions and the deepening of the Japanese recession during 1998 and most of 1999.

[6] Sen, A : Address to the International Labour Conference, June 1999.

For developing countries as a whole, the growth rate declined from 5.7 per cent in 1996 to 2.1 and 3.0 per cent respectively in 1998 and 1999. Within this overall slowdown, there was in fact negative growth in GDP in the worst affected Asian countries in 1997 and a decline of 7.9 per cent in 1998. GDP also declined by 2.7 per cent in the countries of the former Soviet Union in 1998, and by 0.6 per cent in Latin America and the Caribbean in 1999.[1] These developments had a significant negative impact on employment and poverty in many developing countries. As shown in table 1, the unemployment rate increased substantially in the worst-affected countries during the height of the crisis in 1998. Although there has been a decline in unemployment with the stronger than expected recovery that is in place, these rates still remain significantly higher than pre-crisis levels. In Latin America and the Caribbean urban unemployment increased significantly between 1998 and 1999 in 13 out of the 17 countries for which data are available. In ten countries, the rate was very high, ranging between 10.1 per cent and 19.8 per cent in 1999. There has been a similar rise in unemployment in Eastern Europe and the former Soviet Union. Between 1995 and 1999 unemployment rose in all but four out of the 24 countries shown in table 1. Moreover, in 14 of these countries the unemployment problem was severe, standing at 9 per cent — or substantially more in some cases — in mid-1999. Thus, in spite of the onset of recovery "the effects of the crisis of 1997-99, from East Asia to the Russian Federation and Brazil, persist in may aspects. In most developing countries growth remains weak and well below the pre-crisis trends. Social dislocations are severe, and have increased not only in Asia but also in other affected countries. Progress in poverty reduction has stalled in the developing world at the end of the 1990s, and the number of poor is rising in most regions".[1]

Table 1. Unemployment in various regions

A. South-East and East Asia

Country	Pre-crisis	Mid-1998	End-1998	Early 1999
Indonesia	4.9	n.a.	n.a.	n.a.
Thailand	2.2	4.5	n.a.	5.4 (Feb. 1999)
Republic of Korea	2.3	8.2	8.5	6.5 (May 1999)
Malaysia	2.6	3.2	n.a.	4.5 (March 1999)
Hong Kong, China	2.4	4.5	5.8	6.3 (May 1999)
Singapore	2.0	n.a.	4.4	3.9 (March 1999)

Sources: (1) ILO/UNDP: *Employment challenges for the Indonesian economy* (Jakarta, June 1998). (2) Thailand: *Economic and Financial Data*, available on website: http://www.bot.or.th/research/public/sdds/sdds.htm. (3) Hong Kong: *Economic and Financial Data for Hong Kong*, available on website: http://www.info.gov.hk/hkma/stat/eco_fin.html. (4) Singapore: *Economic Survey of Singapore First Quarter 1999*, available on website: http://www.singstat.gov.sg/PRESS/econ.html. (5) Malaysia: *Key Statistics Malaysia*, available on website: http://www.statistics.gov.my/English/keystats.html. (6) Republic of Korea: National Statistics Office, available on website: http://www.nso.go.kr/report/data/ssec9812.htm.

[1] World Bank: *Global economic prospects and the developing countries 2000*, Dec. 1999.

[1] ibid., p. 1.

B. Latin America and the Caribbean: Urban unemployment rate

Country	1995	1996	1997	1998	1999[1]
Argentina	17.5	17.3	14.9	12.9	14.5
Brazil	4.6	5.4	5.7	7.6	7.7
Chile	6.6	5.4	5.3	6.4	10.1
Colombia	8.8	11.2	12.4	15.2	19.8
Costa Rica	5.7	6.6	5.9	5.4	n.a.
El Salvador	7.0	5.8	7.5	7.6	8.0
Honduras	6.6	6.6	5.2	5.8	5.4
Mexico	6.2	5.5	3.7	3.2	2.6
Panama	16.4	16.9	15.4	15.5	13.0
Peru	7.9	7.9	8.4	8.2	9.8
Uruguay	10.8	12.3	11.6	10.2	12.1
Venezuela	10.3	11.8	11.4	11.3	15.3

[1] Data from third quarter 1999.

Source: ILO: *ILO news, Latin America and the Caribbean: Labour Overview*, 1999.

C. Transition economies

Eastern Europe	1995	August 1999
Albania	12.9	18.0 (July 1999)
Bosnia and Herzegovina	n.a.	39.1 (July 1999)
Bulgaria	11.1	13.6
Croatia	17.6	19.1
Czech Republic	2.9	9.0
Hungary	10.4	9.4
Poland	14.9	11.9
Romania	9.5	10.9
Slovakia	13.1	18.2
Slovenia	14.5	13.4
Yugoslavia	24.7	29.3 (March 1999)
Baltic States		
Estonia	5.0	6.5[1]
Latvia	6.6	9.8
Lithuania	7.3	8.1
CIS		
Armenia	6.1	11.3
Azerbaijan	1.1	1.2
Belarus	2.7	2.1
Georgia	3.4	4.8
Kazakhstan	2.1	3.6
Kyrgyzstan	3.0	3.1
Republic of Moldova	1.4	2.4
Russian Federation	8.9	12.4
Tajikistan	1.8	3.3
Uzbekistan	0.3	4.1

[1] Jobseekers estimate by the secretariat of the Economic Commission for Europe.

Source: Economic Commission for Europe, *Economic Survey of Europe*, 1999, No. 3 and 1998, No. 3 (United Nations). The data are from August 1999 and 1995, unless stated otherwise.

D. OECD countries

Country	1995	1996	1997	1998	1999
United States	5.6	5.4	4.9	4.5	4.2
Japan	3.1	3.4	3.4	4.1	4.7
Germany	8.1	8.8	9.8	9.3	9.0
France	11.6	12.3	12.5	11.8	11.1
Italy	11.7	11.7	11.8	11.9	11.6
United Kingdom	8.6	8.0	6.9	6.2	6.1
Canada	9.5	9.7	9.2	8.3	7.8
Total of major countries	6.7	6.8	6.6	6.4	6.2
Australia	8.5	8.4	8.5	8.0	7.3
Austria	5.9	6.3	6.4	6.5	6.3
Belgium	12.9	12.7	12.4	11.6	10.8
Czech Republic	4.1	3.9	4.8	6.5	8.9
Denmark	10.2	8.7	7.7	6.4	5.7
Finland	15.4	14.6	12.7	11.4	10.1
Greece	10.0	10.3	10.2	11.2	11.3
Hungary	10.4	10.1	8.9	8.0	7.0
Iceland	5.0	4.3	3.7	3.0	2.0
Ireland	12.2	11.9	10.3	7.6	5.8
Korea, Republic of	2.0	2.0	2.6	6.8	6.4
Luxembourg	3.0	3.3	3.3	3.1	2.9
Mexico	6.3	5.5	3.7	3.2	2.8
Netherlands	7.1	6.6	5.5	4.2	3.2
New Zealand	6.3	6.1	6.7	7.5	7.1
Norway	4.9	4.8	4.1	3.2	3.2
Poland	13.3	12.3	11.2	10.6	11.4
Portugal	7.2	7.3	6.8	5.0	4.5
Spain	22.7	22.2	20.8	18.8	15.8
Sweden	7.7	8.0	8.0	6.5	5.5
Switzerland	4.2	4.7	5.2	3.9	2.8
Turkey	6.9	6.0	6.4	6.3	6.6
Total of smaller countries	9.0	8.6	8.1	8.0	7.6
Total OECD	7.4	7.3	7.1	6.9	6.7
Memorandum items					
European Union	10.8	10.9	10.8	10.1	9.4
Euro area	11.5	11.8	11.8	11.1	10.2

Source: *Economic Outlook*, Dec. 1999.

In the industrialized countries there has been a slight drop in unemployment in 1999 with the stronger than expected growth that has occurred recently. For the OECD countries as a whole the

average unemployment rate declined from 6.9 to 6.7 per cent between 1998 and 1999. It should be noted, however, that this is still not a very substantial improvement in relation to the 1995 rate of 7.4 per cent. In the European Union the unemployment rate declined from 10.1 per cent in 1998 to 9.4 per cent in 1999. This remains an unacceptably high average level of unemployment, especially when we take into account the fact that double-digit unemployment still prevails in six out of 15 countries in the European Union. Significant improvements in the employment situation did, however, occur in Denmark, Iceland, Ireland, the Netherlands, Portugal, Sweden, Switzerland and the United States. In these countries the unemployment rate dropped significantly from their 1995 levels and was below 6 per cent in 1999. Set against this, however, was the rise in unemployment to a post-war high in Japan.

Against this backdrop, there is widespread anxiety over the effects of globalization on the lives of ordinary men and women across the world. The advantages of open economies and open societies are an accepted reality for most. What is now becoming increasingly evident is that the benefits are not reaching enough people and that changes in the governance structure of the global economy are required to achieve more satisfactory results. Globalization has created extraordinary new opportunities for businesses and consumers, which have been a major driving force behind recent growth in the world economy. But the inequality of opportunity has been just as extraordinary, both within and between countries. There is a growing recognition that unless questions of unfairness and inequality are addressed by the global community, the process of international integration itself may be rejected by increasing numbers of countries and people. Imagination and creativity will be needed to meet the overriding challenge: that markets must work for everybody.

In spite of the potential benefits that trade, investment, and financial liberalization and other aspects of globalization can confer in terms of a better allocation of resources, greater economic efficiency and higher growth, evidence is accumulating that globalization is widening inequalities between industrialized and developing countries. This is reflected in the continuing marginalization of the least developed countries. They still account for only 1 per cent of global exports and receive 1 per cent of foreign direct investment. Another indicator is that 80 countries have per capita GDP that is lower than ten years ago. Furthermore, the income gap between the fifth of the world population living in the richest countries and the fifth living in the poorest has increased from a ratio of 60:1 in 1990 to 74:1 in 1997.[1]

Although causation is by no means clearly established in all cases, globalization has been accompanied by a host of social problems, many of which are related to the world of work. In many countries increased global competition has led to job losses which have often been concentrated in particular industries and communities, thus magnifying their negative impact in media depictions. At the same time, the compensating mechanisms promised through market forces, namely the creation of new jobs and the smooth redeployment of displaced workers to these, have often been weaker and slower than anticipated. In many developing countries without systems of unemployment insurance or adjustment assistance to workers, the social pain of these labour market developments has been particularly acute. The burden has typically fallen most heavily on vulnerable groups within the workforce, especially women workers suffering from continuing labour market discrimination. In addition, hundreds of millions of the working poor and their families on the margins of developing country labour markets, as well as a significant number of workers in the industrialized and transition economies, are largely bystanders rather than participants in the growth of the world economy.

The emerging global economy has also brought increased uncertainty and insecurity, which are no longer the sole preserve of the socially excluded. Today they reach deep into middle-class attitudes and reactions, and many parents fear that their children may not have a better life than their own. Youth unemployment is high in many countries and young men and women worry about the appropriateness of their education and training in helping them to enter and adapt to more competitive and dynamic labour markets. Business leaders in traditional industrial and

[1] UNDP: *Human Development Report*, 1999.

manufacturing sectors have doubts about where their businesses are heading. Many workers, particularly women in both North and South, feel caught in a race to the bottom, and believe that intensified global competition is exerting downward pressure on working conditions and labour standards.

Intensified international economic competition has created pressures on enterprises to seek more flexible employment arrangements that are often less secure and provide fewer social benefits than regular jobs. This process has often been intensified by misguided labour market deregulation that has ignored more consensual and productive approaches to responding to heightened international competition. Another problem area has been the rise in income inequality that has been observed in many developing and industrialized countries. The causes of this phenomenon are still poorly understood but one contributory factor is the weakening of the bargaining strength of labour. This has come about because of the increased exit options available to capital in a globalizing world economy. In some cases, violations of core labour standards relating to freedom of association and the right to bargain collectively on the part of governments seeking to attract foreign investment have made matters worse. The reduced bargaining strength of workers often results in their being denied a fair share of the gains from openness to international competition and economic growth.

The liberalization of foreign direct investment has added to the competitive pressures faced by local firms, including small and medium-sized enterprises, especially in developing and transition countries. While the longer term benefits of this process are likely to be positive, they initially cause job losses through the restructuring and loss of market share among local producers. In addition, there have been cases where new job creation by foreign firms has been less than anticipated, due to inappropriate enterprise restructuring policies and the adoption of technologies that have been more capital and skill-intensive than warranted by underlying factor proportions in developing countries.

Increased financial liberalization, especially the freeing of capital accounts, has had a significant impact on social development. There has been a growing frequency and severity of financial and economic crises in the 1990s. As shown by the recent Asian crisis these events have resulted in sudden and severe economic downturns that have inflicted heavy social costs. Apart from exposing the dire consequences of neglecting social protection, the crisis has also highlighted the value of sound labour market institutions, especially systems of collective bargaining, dispute prevention and resolution, and social dialogue, in both preventing and coping with the consequences of economic crises.

III. Priority issues and proposals for further initiatives

It follows from the above that the central issue that should be addressed in the follow-up to the World Summit for Social Development *is the adaptation of national economies and national institutions to the emerging global economy, and the management of the process of global change so that it responds to human needs of individuals, their families, and the communities in which they live.*

The objective should be to *make globalization work for everyone*. The process of the integration of national economies into a global economy has immense potential for eliminating poverty and enhancing human development, and there can be no question of attempting to turn the clock back, even if that were possible. But in order for this potential to be realized, globalization has to be seen and managed as a social and not only a purely economic process. In order to be sustainable it has to be built on a broad measure of popular support. It has to be judged not only by its impact on the volume of world trade and capital movements, or by the improvements that it brings about in economic efficiency and technological change, but also by its impact on the lives of ordinary men and women throughout the world — by its results in

terms of net job creation, poverty reduction, and narrowing inequalities in the reasonably short term rather than in some indeterminate future.

The nature of the problems presented by globalization and the solutions to be adopted will, of course, vary from one region to another, and there can be no question of attempting to prescribe detailed policies of universal applicability. It is necessary to move away from "one-size fits all" solutions by putting the collective experience of the United Nations system at the service of individual countries in their development. But the essential point is that no country or region is unaffected by the profound changes that are sweeping through the world economy. Adjustment to global change is a universal challenge affecting rich and poor countries alike, albeit in different ways. All nations have a collective responsibility towards each other and towards their own people to respond to this challenge in a manner that guarantees greater fairness, decency and equity for all sections of the world's population than has hitherto been the case. They need to seize the opportunity offered by the Special Session of the General Assembly to assert their collective determination to put in place a strong social component in the emerging governance structure of the global economy.

A. The need for an integrated approach and greater policy coherence

This will require a more coherent and integrated approach to policy-making, based on a recognition of the necessary interdependence of economic and social policies to address the core issues of the Social Summit: poverty, employment and social integration. It is, of course, self-evident that social progress is facilitated by a high and stable level of sustainable economic growth. Decent jobs cannot be created and poverty reduced in an economic desert. But this does not mean that economic policies can or should be pursued in blind disregard for their social consequences. Economic growth that does not lead to some improvement in the standards of living of all sections of the population, rather than a privileged few, is likely to breed political and social instability which will halt the process. In other words, the sustainability of growth depends quite as much on the distribution of its benefits as it does on continued improvements in economic efficiency. And the economic liberalization that is required to stimulate growth cannot be viable without simultaneous action to contain its negative social effects. Another important connection between the economic and the social lies in the fact that enlightened social policies such as investments in human development (including investments in education and training to increase the employability of workers, investments to reduce the problems of occupational health and safety and to reduce gender inequality) have a high pay-off not only in social but also in economic terms. Moreover, the sustainability of economic progress, the efficient functioning of markets and improvements in productivity depend on democratic and transparent governance and the existence of institutions which permit the main productive forces of society to receive a fair share of the wealth they have contributed to creating and to be informed of, and involved in, decisions that directly affect them.

The close interdependence of economic and social policies has long been recognized. It has indeed been a major feature of the work of the ILO throughout much of its existence and is underlined in the Copenhagen Declaration and Programme of Action. The Copenhagen Declaration stressed the need to "create a framework for action to ... integrate economic, cultural and social policies so that they become mutually supportive", while the Programme of Action emphasized the importance of "an integrated approach" to implementation.[1] But the problems encountered as a result of the rapid progress of globalization have brought into sharp relief the need for it to be taken much more fully into account in national and international policy-making. The clear message that should emerge from the Special Session of the General Assembly is that *the integrated problems of sustainable economic growth and social development cannot be tackled with sectoral solutions*. We have reached the limits of sectoral solutions to integrated global problems.

[1] *The Copenhagen Declaration and Programme of Action*, op. cit.

Yet the manner in which the institutions of the international community operate does not reflect this basic but self-evident truth. In the fundamental area of integrated thinking the multilateral system of international organizations is underperforming. It can clearly do better. The interrelationships between the economic and social aspects of development, and the synergies to be built up between them, need to guide the policies and activities of the system as a whole. If not, there will be many missed opportunities. As a result, the activities and operations of the United Nations system will be less than optimally effective, and the world of international organizations lays itself open to criticisms of incoherence, inefficiency and wasteful duplication.

The different organizations and agencies of the international system bring different perspectives to bear on the issues of growth and development. Full advantage needs to be taken of the richness of experience and expertise that each can contribute to the common effort. They need to work more closely together, in order to make the different dimensions of economic and social progress mutually supportive. They then need to promote policy synergies which deal in an integrated and unitary fashion with the interrelated aspects of economic and social policy in order to address more effectively the social problems that are intensifying in the wake of globalization. In this connection, the challenges that need to be addressed include:

(i) promoting the simultaneous and equal consideration of economic and social objectives in the process of policy formulation. This is essential for overcoming the unwarranted dichotomy between economic and social policies that is regrettably still all too common. The attainment of social objectives is the ultimate justification for economic policies. That being so, the employment and social impact of economic and financial policies need to be taken into account from the outset and not be left for subsequent treatment. It would thus be important to institute systems for the *ex ante* assessment and continuous monitoring of the social impact of economic policies at both the international and national levels. Indeed there should be assessments not only of the social impact of economic policies but also of the economic impact of social policies. The latter is often overlooked or mistakenly undervalued, hence reinforcing the bias against social investments and expenditures. This would be particularly relevant to the formulation of macroeconomic policies for dealing with financial crises and the design of economic reform programmes such as trade and financial liberalization, privatization and enterprise restructuring, labour market deregulation and social security reform;

(ii) developing new concepts and measurements that will facilitate the shift to a more integrated approach to policy formulation. This includes a widening of the concepts of productivity and efficiency beyond purely economic criteria to capture the positive developmental effects of investments in social capital and of other social policies;

(iii) reforming the institutions and processes for policy formulation to ensure greater participation and transparency. Particularly important are measures to develop strong institutions for social dialogue between business and labour as well as their involvement with relevant actors from civil society in policy formulation and implementation. This will need to be based on action to strengthen the capacity of the social partners and civil society to address social and economic policy issues and their interlinkages. International cooperation must be based on national ownership of policies pursued;

(iv) promoting greater awareness of the continuing importance of the role of the State in dealing with market failures and providing public goods, especially in economies where markets remain underdeveloped and inefficient. This includes the State's role in alleviating poverty and reducing inequality, in maintaining adequate financing for basic social services, and in developing and maintaining the regulatory frameworks and institutions that are necessary for the efficient and equitable functioning of markets. This promotion of greater awareness needs to be supported by action to strengthen the capacity of the State to discharge these functions effectively. We need a "better" State that is respected and respects itself in the institutional function it performs for the benefit of its citizens;

(v) developing a positive environment for investment and enterprise creation nationally and internationally, considering good practices and major differences among countries. It should

be based on the recognition of the interdependence between respect for freedom of enterprise for investors and freedom of association for workers. Innovation, creativity and entrepreneurship need to be stimulated. Special attention should be paid by all organizations to promoting small enterprises;

(vi) implementing the ECOSOC policy on gender equality defined in the Agreed Conclusions of 1997. This requires the mainstreaming of the gender perspective into all policies and programmes in the United Nations system. Mainstreaming is a strategy for making women's as well as men's concerns an integral dimension in the design, implementation, monitoring and evaluation of policies and programmes in all political, economic and societal spheres, so that women and men benefit equally and inequality is not perpetuated;

(vii) translating into concrete actions the call from the July 1999 Substantive Session of ECOSOC for "the relevant organizations of the United Nations system to take consistent, coherent, coordinated and joint actions in support of national efforts to eradicate poverty, with particular attention to employment creation and work and the empowerment and advancement of women".

The Special Session of the General Assembly should aim to leave its mark on the international system by creating a framework for an integrated approach to economic and social policy-making in an increasingly integrated world economy.

It should send the same message to national governments, where concerted and coordinated action among several ministries is essential for formulating coherent national financial, economic and social policies to respond to the far-reaching challenges of globalization. And it should insist on the importance of employers' and workers' organizations and other representative organizations of civil society being informed of the social benefits to be expected from policies of greater openness to the global economy, as well as the possible negative social consequences of such policies, and of their being consulted on the choice of mutually supporting economic and social policies to ensure that the benefits are equitably distributed and adequate assistance and protection provided to those most seriously affected by such changes. The assistance provided by the organizations of the United Nations system should promote an integrated approach at the national level, and to this end the entire system needs to dialogue not only with governments but also with representative organizations of civil society in all its country-level action. The absence of such a dialogue in the past may go a long way to explain why some policies have run up against strong popular opposition and great difficulties of implementation.

B. Promoting decent work in the global economy

The initial consultations on the possible content and outcome of the Social Summit in the early 1990s made it clear that two interlinked issues constituted the core of social disquiet in most countries: poverty and social exclusion. At the same time, those consultations made it clear that the first step out of poverty and social exclusion was some form of income-generating activity, described in many ways: jobs, sustainable livelihood, self-employment, micro-entrepreneurship, among others. Employment generation thus became the third core issue of the Social Summit. In this context, the Copenhagen Declaration and Programme of Action recognized that the ILO, "because of its mandate, tripartite structures and expertise, has a special role to play in the field of employment and social development" and requested it "to contribute to the implementation of the Programme of Action." In doing so, the ILO has developed many activities at the operational, research and policy level that it wishes to put at the disposal of the Special Session, as an input for its deliberations and with a view to its eventual support for these initiatives as an integral part of the conclusion of and follow-up to the session. They constitute the ILO's global programme on decent work.[1]

[1] The Report *Decent work* presented by the Director-General to the International Labour Conference in June 1999 is submitted for reference as a document of the Special Session.

Decent work is the first step out of poverty and an important stride towards greater social integration. It lies at the heart of the three core issues addressed by the Social Summit. Moreover, having access to opportunities for decent work is the most widely shared aspiration of people and their families in all countries. This means that the global economy should provide opportunities for all men and women to obtain decent and productive work in conditions of freedom, equity, security and human dignity. The ILO's programme on decent work aims at achieving four objectives: employment creation; promoting human rights at work; improving social protection; promoting a social dialogue. These are all areas which are vital for attaining the objectives of poverty reduction, full employment and social inclusion adopted at Copenhagen. Promoting decent work clearly requires an integrated approach involving many organizations in the international system. The Special Session of the General Assembly is therefore invited to call upon all States and international organizations to support the following key elements of the ILO's global programme on decent work:

The first objective: Employment creation

Spreading the benefits of globalization more widely will depend, perhaps more than anything else, on the capacity of the global economy to create good quality jobs, and to reduce unemployment. Employment is the key for creating wealth, and is the primary instrument for distributing it equitably. It is the first and most important step in the struggle against poverty and social exclusion. But the employment situation has worsened in most countries since the Copenhagen Summit — in some cases quite dramatically. The failure of globalization to deliver a steadily increasing number of productive and remunerative jobs throughout the world requires careful examination and urgent priority attention by the Special Session.

Firstly, it has to be recognized that this failure is the result of a combination of inadequacies in international and national policies. As regards international policies, the wave of financial crises that have swept the world during the past two years has been responsible for much of the negative performance of the global economy in terms of employment creation. These crises have not only had a devastating effect on employment in the countries directly affected but have led to a general worsening of the employment situation in other countries too. Thus, how to reduce the risk of financial crises is a question of considerable importance for the achievement of full employment throughout the world. A large part of the solution to this problem lies in current efforts to reform the international financial system, but it would be erroneous to believe that an improved international financial architecture can replace the need for appropriate domestic policies that can reduce a country's vulnerability to financial crises in other countries.

Apart from financial liberalization, other aspects of the continuing globalization of the world economy present challenges to employment policy. Increased openness to foreign competition requires a greater degree of adjustment in production structures within countries, resulting in job losses in less competitive activities. All this creates a triple challenge for national policies:

- to ensure that the jobs destroyed as a result of this increased competition are at least offset by the growth of employment in other activities that are more competitive or less exposed to foreign competition;
- to facilitate the process of adjustment for the affected workers, who have to be able to move rapidly to other sectors and occupations if they are to avoid more or less prolonged periods of unemployment, and to protect those who are the most vulnerable and who have the greatest difficulty in adjusting;
- to create institutions for socially responsible adjustment based on dialogue and cooperation between governments and the social partners.

The centrality of employment in policy formulation and the need for a comprehensive strategy to deal with the employment problem were underlined by the Copenhagen Summit and should be reiterated by the Special Session. They imply that full employment, or the creation of decent work for all men and women who seek it, should be one of the central objectives of the entire international system. They require the creation of a macroeconomic climate that is conducive to enterprise and job creation, policies for

economic growth and technological change that maximize employment creation, and labour market and training policies that facilitate the insertion or reinsertion of workers into productive work. Within this comprehensive and multifaceted approach, some key priority areas for action are suggested below.

Monitoring the employment situation

The impact of globalization on employment needs to be closely monitored at both the national and the international level in order to provide a sound factual basis for policy-making. The ILO will continue to publish the *World Employment Report*, which explores and highlights key developments and innovations in the employment field and aims to provide the basis for an informed global debate on employment issues. The next issue entitled *Employment Challenges in the 21st Century* will be published in 2001 and will focus on the impact of new information and communications technologies and the knowledge economy on employment generation. The ILO also aims to strengthen its work on the production of a global database on *Key Indicators of the Labour Market* (KILM), which will be continuously refined and updated for ongoing monitoring of employment and labour market performance at the national, regional and international levels. The database currently covers close to 200 countries and territories and consists of 18 indicators of labour market performance, 15 of them desegregated by sex.

Developing comprehensive national employment policies

At the country level, the ILO will continue to carry out Country Employment Policy Reviews (CEPRs) in close collaboration with national authorities and employers' and workers' organizations as well as with other international organizations and the donor community. These reviews are a major instrument for developing the comprehensive approaches that are necessary to overcome the many obstacles in terms of economic structure, market failures, institutional deficiencies, policy inadequacies, and lack of social dialogue that prevent developing countries from reaping fully the potential benefits of globalization for employment growth.

The ILO plans to hold a *World Employment Forum* in 2001 to bring together national and international policy-makers, as well as representatives of the ILO's tripartite constituency, to examine critically some of the key problems that have to be confronted in achieving decent work in the global economy for all men and women and to launch new initiatives to deal with them in the perspective of full employment. *It is suggested that the preparations for and follow-up of this Forum should be a main focus of inter-agency collaboration in the next few years.*

Given the crucial importance of the gender dimension in comprehensive employment policies the ILO has launched an International Programme for More and Better Jobs for Women. This is directed at expanding employment opportunities for women, while enhancing their conditions of employment and eliminating discrimination at work. The programme focuses especially on the needs of poor and vulnerable women and aims to demonstrate that women's economic empowerment also benefits their families, communities and societies.

In addition, in line with Commitment 7 on accelerating the economic, social and human resource development of Africa and the least developed countries, the ILO has launched the "Jobs for Africa" programme. This is based on a framework for poverty-reducing employment strategies in Africa. The programme has two interlocked objectives: the first is to promote investment-led growth while the second is to ensure that this growth maximizes employment and reduces poverty.

Enterprise and job creation

The ILO's job creation programmes are based on the recognition of the key role played by *small enterprises* in this respect. This is also being increasingly recognized in countries at all levels of development. In order for them to play this role fully, small enterprises clearly have to be viable and productive. More attention needs to be given to the most suitable programmes to improve the policy,

regulatory and institutional environment to stimulate and facilitate small enterprise development. Conditions of employment in many small enterprises are notoriously bad, because they are generally beyond the scope of trade unions or labour inspectorates. The owners and managers of small enterprises, therefore, need to have access to advice and technical cooperation on the different ways in which improved job quality, training and working environment can contribute to increasing enterprise productivity.

Against this background the ILO has launched an InFocus Programme on Boosting Employment through Small Enterprise Development. Given that the greatest potential for job creation worldwide lies with the small enterprise sector, this programme aims to expand employment in this sector through enterprise creation and growth, improve the quality of jobs in small enterprises, ensure that gender concerns in small enterprise development are mainstreamed, and promote business networking and representation in small enterprises.

Self-employment programmes are another central area of action. One of the main constraints to entering self-employment is frequently lack of finance, and banks or other financial institutions are not generally interested in providing small loans for this purpose. The growth of micro-finance institutions to support self-employment programmes needs to be encouraged. The ILO plans to launch a global self-employment initiative, in partnership with the World Bank and various other intergovernmental organizations and donors, to promote viable and innovative schemes for self-employment.

The ILO has extensive experience in designing and implementing *employment-intensive programmes*. Investment in infrastructure accounts for a significant proportion of development expenditure in developing countries, so that the adoption of employment-intensive and local resource-intensive technologies in infrastructure works can also be an important part of a longer term strategy aimed at reconciling economic growth with greater social equity. Labour-intensive investment in productive resources (such as land development, irrigation schemes) or in social services (such as schools, health centres, sewerage, water supply) can be a powerful tool for both job creation and improved access of the poor to basic economic and social infrastructures, and thus for longer term development. Such programmes are also a useful means of providing basic income support to the poor during economic crises and in the aftermath of civil strife and natural disasters. The ILO therefore intends to intensify its work in this area through the mobilization of expanded donor support and closer collaboration with other relevant international organizations.

The informal economy

The restructuring of formal sector enterprises and the decline or at least the stagnation of employment in that sector mean that in virtually all developing and many transition countries a large proportion of the labour force have to resort for their livelihood to a proliferation of activities in the informal economy. This raises a number of difficult policy issues — not only for governments but also for employers and workers and civil society in general. It constitutes a survival strategy for most of those whom the formal sector is unable to absorb or retain; but it also implies social marginalization inasmuch as these activities lie beyond the scope of any form of social or legal protection. What is required is a more constructive attitude towards the informal economy: for instance the removal of unnecessary regulatory obstacles to informal activities, improved access to credit, skills, technology and other means of raising the productivity and viability of informal activities, and the progressive introduction of some minimal forms of labour and social protection.

The ILO is planning to organize a Global Conference on the Informal Economy in the year 2002. The purpose of the Conference will be to take critical stock of what has been learned and what has been achieved over the past 30 years in this field, as originally identified by the ILO, and to identify key areas for action and attention in the years ahead. *Since successful policies towards the informal economy need to be comprehensive in scope, the participation of other United Nations agencies and programmes in the planning and organization of this Conference should be encouraged. The ILO also hopes to bring to it a wide group of policy-makers, development specialists and academics, as well as representatives of the entrepreneurs and workers of the informal economy in various countries.*

Training and labour market policies

These policies (e.g. labour market information services, job-search and counselling services, training and retraining programmes) can be of key importance: they reduce the need for passive income support for those who lose their job, they prepare new jobseekers for entry into the labour market, they foster gender equality and, by improving the functioning of labour markets, they facilitate adjustment to change, promote higher levels of employment, and thus reduce resistance to change. These policies assume particular importance in the current era of globalization.

In particular, investing in knowledge and skills is increasingly regarded as critical for tackling employment problems. The globalization of economies and consequent changes in labour markets, the revolutionary advances in science and technology and the onset of the information society have boosted the possibilities of access to information and knowledge, but at the same time have changed the nature and content of jobs and the ways that production systems and work are organized, and skills are learned and applied. There is, consequently, a need to adjust flexibly and effectively to job and even career changes perhaps several times in the course of a worker's life. There are also implications for the delivery and acquisition of knowledge and skills; for instance, the increasingly critical role of enterprises in providing training, and the individualization of training in the form of lifelong learning.

The other side of this coin is increasingly unequal access to the labour market. The changing role of knowledge and skills seems to have exacerbated the exclusion of some disadvantaged groups from effective labour market participation. Consequently, strong inequalities in access to training and education persist and the potential contribution of skills development to the reduction of unemployment remains unfulfilled. In addition, women and men face differing opportunities and constraints, so a gender analysis of these issues is important.

Many observers believe that investment in learning and training is inadequate in the face of the new challenges. Labour market and training institutions are too sluggish to cope with rapidly changing production systems. Market signals undervalue training, and prevent investment at the level which social goals would justify.

Therefore, the task of enhancing employability through investment in knowledge and skills, faces three major challenges:

- to identify and measure better what knowledge, skills and abilities are required for enterprises and economies to improve economic efficiency and competitiveness, and for individuals to obtain freely chosen, gainful employment throughout their working lives;
- to ensure that investment in knowledge and skills becomes an instrument for providing satisfying routes into the labour market for everyone, and for promoting gender equality, and for the economic and social integration of currently disadvantaged and marginalized groups, including the disabled, displaced workers, ethnic minorities, the long-term unemployed and others;
- to create the conditions for lifelong learning, so that there is universal access to the renewal and upgrading of skills and the acquisition of new knowledge.

In order to assist its constituents in facing up to these challenges the ILO has launched an InFocus Programme on Skills, Knowledge and Employability. This aims at promoting increased and effective investment in training and human resource development for enhanced employability, competitiveness and growth and improved access of vulnerable groups to human resource development and labour market opportunities.

The second objective: Promoting basic rights at work

There has to be a worldwide acceptance of the *inviolability of basic rights at work*, which should in no way be sacrificed on the altar of economic efficiency. The Copenhagen Summit identified seven basic ILO Conventions and agreed that it was the common objective of the international community to promote their ratification and implementation. These concerned freedom of association and effective recognition

of the right to engage in collective bargaining;[1] the elimination of forced or compulsory labour;[2] the abolition of child labour;[3] and the elimination of discrimination in employment or occupation.[4] In doing so, the Summit highlighted the principles and rights contained in these Conventions as global objectives to be pursued by the international community as a whole. The Ministerial Meeting of the World Trade Organization in Singapore in 1996 renewed the commitment of governments to observe these internationally recognized core labour standards and to support the ILO's work in promoting them. In 1998 the International Labour Conference adopted a Declaration on Fundamental Principles and Rights at Work and its Follow-up, which is a decisive step towards universal respect of these rights, even by countries which have not ratified the relevant Conventions. It has two basic elements:

- it recognizes that all ILO Members (who are also, with very few exceptions, members of the other organizations of the United Nation system) have by their very acceptance of the ILO Constitution an obligation to respect, realize and promote these rights; and
- it provides for a follow-up procedure designed to monitor and encourage countries' efforts to fulfil this obligation. Moreover it explicitly rules out the use of the Declaration for protectionist purposes.

Another important recent development has been the unanimous adoption by the International Labour Conference in 1999 of a Convention on the worst forms of child labour (forced labour, sexual exploitation, illicit activity and dangerous work), thus reinforcing the network of instruments to combat these particularly intolerable practices.

These initiatives to promote the observance of fundamental rights and principles at work are of concern not only to the ILO but to the entire international system, because they are of major significance in the context of globalization. First, they will directly hasten the elimination of the most inhumane labour practices such as forced labour and the worst forms of child labour that have outraged the conscience of the international community. They will also provide the enabling conditions for eliminating discrimination in the labour market — including gender discrimination — as well as discrimination on other grounds such as race, religion and political opinion. Secondly, by guaranteeing freedom of association and the right to bargain collectively, they will create the negotiating power necessary for workers to obtain a better share of the benefits of growth in export industries as well as in other sectors of the economy. Thirdly, this countervailing power will contribute significantly to redressing the central problem of an uneven distribution of the economic gains from globalization. Fourthly, they can contribute decisively to wider objectives, such as greater democracy, greater transparency (and hence greater efficiency) in public policies, and better social protection. In all these ways, they can contribute to defusing the potential backlash against globalization, and eliminate an important source of friction that could disrupt further moves to open world markets.

It is therefore suggested that the Special Session of the General Assembly should call upon all States:

- to ratify and apply the seven basic ILO Conventions identified by the Copenhagen Summit as the social floor of the global economy, as well as the Worst Forms of Child Labour Convention, 1999 (No. 182), which has been adopted since the Copenhagen Summit;

---

[1] Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); Right to Organise and Collective Bargaining Convention, 1949 (No. 98).

[2] Forced Labour Convention, 1930 (No. 29); Abolition of Forced Labour Convention, 1957 (No. 105).

[3] Minimum Age Convention, 1973 (No. 138). A new instrument, the Worst Forms of Child Labour Convention (No. 182), was adopted at the 87th Session of the ILO Conference in June 1999.

[4] Equal Remuneration Convention, 1951 (No. 100); Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

- to cooperate with the ILO in implementing the follow-up to the Declaration on Fundamental Principles and Rights at Work which aims to ensure universal respect for the rights proclaimed in these Conventions. The support of the private sector in giving direct effect to these rights through corporate practices, as called for in the Global Compact proposed by the Secretary-General of the United Nations, would also be an important contribution.

The Special Session should also call upon the organizations of the international system to pursue their policies and activities in ways that support, and certainly do not undermine, country efforts to respect, promote and realize the fundamental principles and rights at work in their development policies: freedom of association, the effective recognition of the right to collective bargaining, elimination of forced or compulsory labour, effective abolition of child labour (beginning with its worst forms), and elimination of discrimination in employment or occupation. Technical cooperation should support country efforts to translate into practice these fundamental principles and rights at work, as well as other international labour standards that provide the framework for decent work for men and women. Such technical cooperation should include assistance in legal drafting, legislative and policy analysis and gender analysis to ensure compliance with the provisions of international labour standards, strengthening of labour inspection, and educational and training programmes for government officials and the social partners.

The Special Session should call upon all States and international organizations to support and participate in the global campaign launched by the ILO for the immediate elimination of the worst forms of child labour. In particular, national and international economic and social development programmes should systematically include urgent measures to this end. All international organizations and bilateral cooperation agreements could include specific objectives with respect to the worst forms of child labour. Eliminating the worst forms of child labour should spearhead the wider effort of progressively reducing all forms of child labour within the development reality of each country.

The third objective: Improving social protection

The ILO believes that in this era of globalization a sense of socio-economic insecurity has spread, and that the ILO should therefore look for new ways of promoting socio-economic security as the basis of social justice and economically dynamic societies. It believes that basic security for all is essential for decent work and decent societies, and that such security is essential for sustainable economic development. Creating conditions of basic security is advantageous for employers, who can secure greater cooperation and efficiency, for workers and their representatives, because this is a basic feature of well-being, and for governments, which can obtain greater acceptance for policy changes in other spheres.

For this reason, an InFocus Programme on Socio-Economic Security has been launched by the ILO. This programme is directed at developing policies and institutions that provide a growing proportion of the world's population with social and economic security; at identifying ways in which the poor and economically insecure can obtain minimal income security most effectively; and at identifying cost-effective and equitable ways in which social protection can be extended to all groups currently excluded from mainstream statutory social security schemes. The latter includes mechanisms such as informal micro-insurance schemes and appropriate unemployment and safety net schemes.

More open economies and liberalized financial markets, which are the hallmark of globalization, enhance the risk that financial and economic crises can be transmitted rapidly from one country or group of countries to another, often at short notice and with devastating and unexpected consequences for employment. International cooperation in the financial and monetary fields can help to moderate crises when they occur. But whatever improvements are made in the international financial system for this purpose, they will be no substitute for sound domestic policies to cushion the impact of such crises on workers. Few developing countries have adequate social protection for workers who lose their livelihoods in this way. In the absence of any formal social protection, workers who lose their jobs are obliged to resort to informal employment or to rely on the extended family for their livelihood, and they and their families are often subjected to great distress.

Beyond the necessity of providing social protection to the victims of financial crises, economic restructuring and other unforeseen circumstances, there remains the broader, long-term problem of providing social protection to the entire population as called for by the Copenhagen Summit. In much of the world that remains a very distant goal. More than half the world's labour force and their families are excluded from coverage by any form of statutory social security protection. The proportion is often higher than 90 per cent in sub-Saharan Africa and South Asia, and ranges from 50 to 90 per cent in most middle-income countries. Most of those excluded work in the informal sector, and even in developed countries there is a disturbing trend towards various new forms of exclusion from social protection. The possibilities of extending protection to the hitherto unprotected are currently under examination in the ILO. While there are only limited possibilities of extending coverage by statutory schemes to the informal sector or to the rural areas in most developing countries, there are in a number of countries informal micro-insurance schemes which in some cases have proved to be quite effective in providing support to the excluded, and which deserve greater support and recognition from the international community.

The challenge to the international community is to make the increasingly integrated global society a much more caring society.

A particularly important form of social protection which is conspicuously lacking in all but a handful of developing countries is *unemployment insurance*; even where it exists such schemes are typically very limited in scope and coverage. The introduction of unemployment insurance in countries where they do not exist, and the strengthening of such schemes in countries where they do, would seem to be a major priority if societies are to be more crisis-resistant — particularly in countries which have a large modern sector exposed to international competition. Feasibility studies by the ILO have shown that such schemes can be established at a very modest level of payroll taxes, can be largely self-financing and can provide critical income support for job losers even during the exceptional stress of a major economic crisis.

Other types of instruments also have an important role to play in protecting unemployed men and women and their families from destitution. They include systems of social assistance which provide basic income support, including income in kind and subsidies for essential goods such as food, fuel and housing. In many developing countries the implementation of publicly financed safety-net policies such as these would no doubt present a number of difficulties, including not only that of financing such schemes but also that of designing and organizing them in such a way that they are effectively targeted at those who most need them. To assist countries to overcome these difficulties the ILO has, over recent years, developed a social budgeting methodology which allows governments and social partners to analyse the fiscal, financial and economic sustainability of alternative social assistance models. These difficulties are not insuperable if there is a political will and a political understanding of the need to provide such protection. *For its part, the ILO will launch a major review of its social security standards with a view to assessing whether they remain valid or require modification to meet the new challenges of national social protection systems.*

The self-employment and employment-intensive programmes mentioned earlier can also be looked upon as "active" measures which can be set in motion or intensified to provide some alternative means of livelihood for formal sector workers whose jobs have disappeared as a result of a financial crisis or radical restructuring measures. Other less formal types of safety nets can be provided by cooperative-type organizations and/or by voluntary organizations, which can mobilize solidarity in favour of those in greatest hardship, especially in the provision of health care, housing, education and utilities.

The increase in women's employment and the gradual acceptance of the relevance of work and family issues to men as well have been accompanied only rarely by deliberate and practical measures aimed at enabling men and women workers to reconcile work and family life. On the contrary, in some countries factors such as longer working hours and less flexibility in schedules, as well as the increase in migration for work, have exacerbated the difficulties for workers to balance work and family responsibilities. There is an urgent need to move the focus of attention beyond the impact that family demands have on work, to the impact that work has on family and personal life. This is closely linked to the promotion of gender equality at work and at home, particularly since women still bear the main burden of caring for children, the elderly, the sick and the disabled within the family and the close community, as well as for household chores.

In particular, governments should seek to extend the scope and coverage of existing measures that seek to harmonize work and family responsibilities, which — where they exist — are often available only to a small proportion of workers. In order to have a real impact, these government initiatives must be complemented by action by employers at the workplace, for example in giving workers wider choice in more flexible working arrangements. Governments should, therefore, act to increase the dialogue with employers, and with workers, on work-family challenges. Greater efforts should also be undertaken to assess the costs and benefits of measures to harmonize work and family concerns, and their influence on satisfaction and performance at work. These assessments, complemented by the identification of innovative public and corporate strategies that have had a positive impact on work-family experiences, will assist in developing specific family-friendly strategies which benefit workers as well as employers in terms of quality of work life and improved business performance. ILO standards, including the Workers with Family Responsibilities Convention, 1981 (No. 156), and Recommendation (No. 165), as well as the Maternity Protection Convention (Revised), 1952 (No. 103), the Part-Time Work Convention, 1994 (No. 175), the Home Work Convention, 1996 (No. 177) and others, as well as the standards concerning child labour and equality of opportunity and treatment, provide guidance in these matters that can be complemented by advisory services.

The protection of *migrant workers* requires special attention by the international community. The process of globalization has increased the prominent role being played by commercial intermediaries in the market for foreign labour, but it is difficult to control these recruitment agencies, many of which engage in fraudulent and highly exploitative practices. Moreover, the flow of illegal migrants has been steadily growing during the past few years. Although considerable progress has been made in establishing universal principles for the treatment of this vulnerable group, large numbers of migrants continue to be subjected to exploitation in recruitment and employment, to forced labour, to exclusion from social insurance and to the denial of their human rights. These include foreign women in the prostitution traffic, domestic workers deprived of their travel documents, bonded labour in plantations, construction workers in unsafe work and housed in deplorable and insanitary conditions, and various sorts of undocumented foreign workers in clandestine and grossly underpaid jobs. *A major international effort is required to assess the dimension of these problems, to examine the market conditions and institutional failures which either cause or give occasion to these abuses, and to assist national authorities to identify and apply practical solutions.*

Another important area of worker protection is the improvement of working conditions. It must be demonstrated that globalization need not be synonymous with the deterioration of working conditions and the working environment. On the contrary, successful businesses the world over, in developing as well as developed countries, show that improved working conditions and better safety and health can contribute significantly, often decisively, to business success at the micro level, and to economic success at the macro level. The key to success is effective prevention, an important component of ILO social protection policies and strategies. However, around the world millions of men and women still work in poor and hazardous conditions. Every year, more than 1.2 million people die of work-related accidents and diseases and more than 160 million workers fall ill each year due to workplace hazards. The poorest, least protected — often women, children and migrants — are among the most affected. It is also relevant to note over 90 per cent of enterprises where conditions are very poor and the workers in them excluded from all labour protection are micro- and small enterprises. Moreover, in many developing countries the death rate among workers is five to six times that in industrialized countries. Yet the phenomenon is still largely undocumented and there is insufficient political will to address the problem. Global competition, growing labour market fragmentation and rapid change in all aspects of work create a mounting challenge for labour protection, especially in developing countries. Workers in rural areas and the urban informal sector are often ignored or difficult to reach.

The ILO can contribute to further initiatives in this field through:

- promoting preventive policies and developing programmes to protect workers in hazardous occupations and sectors;
- extending effective protection to vulnerable groups of workers falling outside the scope of traditional protective measures;

- equipping governments and employers' and workers' organizations to address problems of workers' well-being, occupational health care and the quality of working life;
- documenting the social and economic impact of improving workers' protection and campaigning for recognition of these issues by policy- and decision-makers.

Against this background the ILO has launched an InFocus Programme on SafeWork which aims to create worldwide awareness of the dimensions and consequences of work-related accidents, injuries and diseases; to place the health and safety of all workers on the international agenda; and to stimulate and support practical action at all levels, including through a global programme of technical assistance. Human suffering and its cost to society, as well as the potential benefits of protection, such as enhanced productivity, quality and savings in resources, will be documented and publicized. As a policy and operational tool, the primacy of prevention as an efficient and cost-effective way of providing safety and health protection to all workers will be promoted.

The fourth objective: Promoting a social dialogue

The lack of public support for, and understanding of, the process of globalization is due in no small measure to the absence or the weakness of institutional arrangements for consultation and negotiation with those most directly concerned by the ongoing economic and labour market transformations, that is, the workers and employers. At the root of this problem are the restraints on freedom of association that prevail in many countries. In some there is no real freedom for workers or employers to form organizations at all; in others a single trade union system is imposed by law or there are other restrictions on the right to organize which effectively negate any real freedom. In many other countries there is a lack of positive encouragement for the growth of free and independent trade unions and employers' associations or a reluctance to accept them as a positive force for developing sound systems of industrial relations and consultative mechanisms on labour policy.

The absence of social dialogue has hindered the development of effective and equitable policies for achieving broad-based social progress. For example, a salient conclusion of most Country Employment Policy Reviews undertaken by the ILO as a follow-up to the Social Summit is that social dialogue is essential for formulating sound employment policies and for mobilizing the broad social support that is necessary for their successful implementation. Social dialogue is also essential for the successful design and implementation of structural reforms in areas such as labour market regulation, social protection and privatization. Workers' and employers' representatives, along with ministries of labour and employment, can also offer invaluable input into the design and implementation of policy initiatives, in areas such as work safety, job training and skills development. Having their voices heard and their concerns taken into consideration encourages workers and employers to take ownership of the policy outcomes. Moreover, consensus building on difficult issues contributes to social harmony and political stability, which are necessary preconditions for democracy to flourish.

Particularly among developing countries, where globalization has exhibited its most detrimental consequences, social dialogue holds enormous potential. Rather than becoming the victims of global change, the social partners in these countries can be actively engaged in setting and achieving sustainable development objectives. As an important corollary, dialogue should be encouraged with the world's financial institutions, so that workers' and employers' representatives are afforded a say in the future direction of their economies.

In contrast, another telling and topical example is that the absence of a genuine social dialogue has proved to be a severe handicap in coping with economic crises and their social consequences. It has been a factor contributing to the general lack of transparency and accountability which was one of the root causes of the crisis facing several countries, and which allowed the economic mismanagement that caused the crisis in the first place to go unchecked. The weakness of industrial relations systems at the enterprise and industry levels rules out options such as the adoption of arrangements to reduce the extent of job losses resulting from the economic turn-down through work-sharing, pay restraint and the orderly restructuring of enterprises. The absence of mechanisms for social dialogue compounds the problem of maintaining

social cohesion and averting industrial and social unrest during times of economic crisis. Without strong social partners it is impossible to build social consensus on measures for economic recovery involving a fair balance between the sacrifices required and efforts to relieve the social hardship provoked by the crisis. This in turn reduces the prospects for a speedy resolution of the crisis.

The strengthening of the systems and institutions for social dialogue needs to be given a good deal of prominence in the conclusions of the Special Session, since it is of central importance for ensuring the social acceptability and thus the sustainability of economic change and restructuring resulting from the process of globalization. A fundamental precondition is to guarantee freedom of association, which is a central function of the ILO. But even when this is guaranteed, it is necessary to promote the growth and build the capacity of genuinely representative organizations such as trade unions and employers' organizations, to create a legal framework for negotiations and collective bargaining among them, to set up machinery for the prevention and settlement of disputes and to create bodies for tripartite consultation and negotiation. These activities are part of the ILO's ongoing programmes in this field. They are especially important in countries that have recently emerged from authoritarian political systems to greater democracy, which have little or no experience in free collective bargaining and social dialogue, where employers' and workers' organizations are weak or even non-existent, and where an appropriate institutional framework needs to be developed. But even countries which have longer democratic traditions may need to reform their systems and institutions for social dialogue in the light of changes in the economic environment and the characteristics of the labour market. There is no single model to follow; each country and society has to find its own way and develop its own systems in the light of its social and economic conditions and its legal systems and traditions. But all countries can learn from each other, and a worldwide exchange of information and experience on good practices in industrial relations and social dialogue can be of immense practical help.

To this end, the ILO through its recently launched InFocus Programme on Strengthening Social Dialogue is engaged in building up a database of examples of successful models of social dialogue that will be made available to the social partners throughout the world. In addition, the ILO will seek to demonstrate the effectiveness of social dialogue through an applied and practical research programme which includes an analysis of the costs and benefits derived from social dialogue. By measuring the advantages associated with social dialogue in both quantitative and qualitative terms, the ILO will help to build public confidence and trust in these institutions and mechanisms.

IV. Concluding remarks

Globalization as a process of promoting more open economies and more open societies is generally accepted. But the present form of globalization is entering a crisis of popular support. The Social Summit of 1995 raised, for the first time, the need to globalize social progress. But this has been insufficient to bring about improvements in social conditions in most parts of the world.

There is certainly a link between these two statements. If globalization is in crisis, it is because there has been inadequate social progress and inadequate social dialogue. And if social development falls far short of the ambitions of Copenhagen, it is because globalization has failed to deliver its promised social benefits.

This vicious circle has to be broken. The Special Session of the General Assembly could be an opportunity to break it. This paper has attempted to suggest some promising avenues to be explored. No progress can be made unless it is recognized that the economic and the social aspects of growth and development are in fact two sides of the same coin.

It is with this in mind that the ILO proposals for new initiatives to the Special Session have, in essence, called upon all the major actors involved to redouble their efforts, both individually and collaboratively, to achieve a better balance between the economic and social aspects of globalization. The key requirement is a conceptual shift to integrated thinking. Therefore, the international agencies with economic and/or social mandates have to work together to achieve greater synergies between economic and

social policies, and also to achieve key social objectives such as compliance with the ILO Declaration on Fundamental Principles and Rights at Work. The donor community is called upon to provide expanded support for strategic global programmes to achieve the goal of decent work for all in the world economy, including country-level technical assistance. Governments have to continue to adapt their economic and social policies to respond to the new challenges generated by globalization. This will require an effort both to bring about a better integration of economic and social policies and to accord the highest priority to objectives such as full employment, the strengthening of social protection, respect for basic worker rights and greater openness to social dialogue. The social partners and civil society will have to continue to lobby for more progressive social policies including gender equality, respond constructively to new opportunities for dialogue on policy formulation, and provide active support for policies and programmes that will most effectively advance social progress.